



Banking & Payments
Federation Ireland

Mortgage Market Profile Report

H2 2023





Mortgage Market Profile Report

Commentary

Anthony O'Brien, Head of Sector Research & Analysis

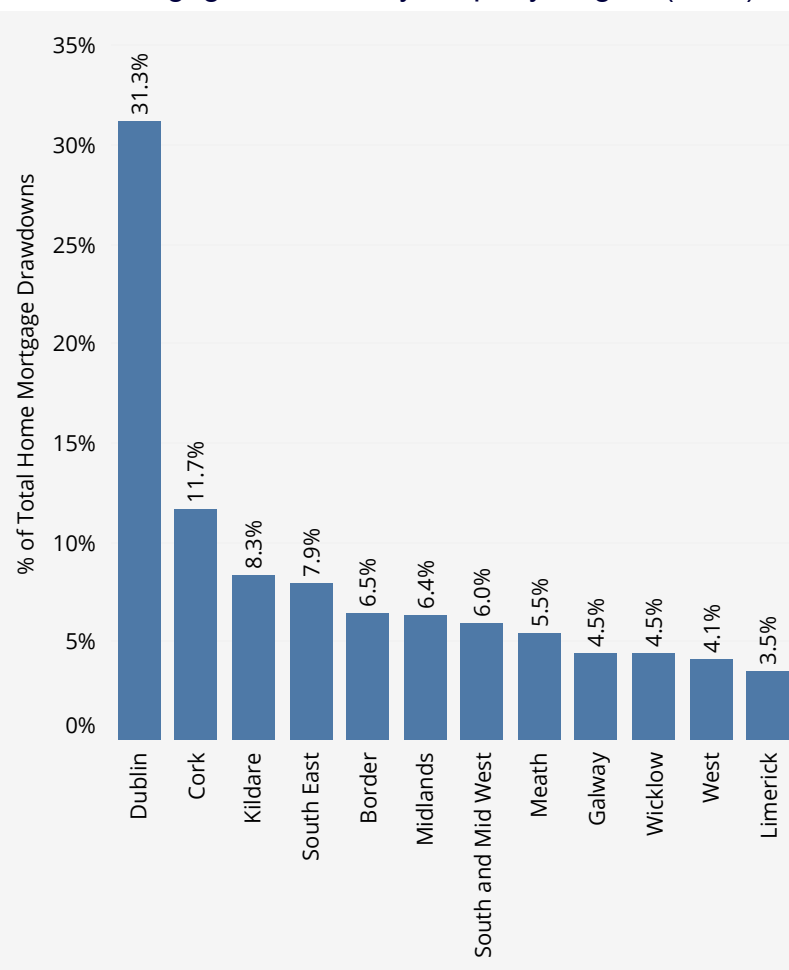
The number of first-time buyer (FTB) mortgage drawdowns rose by 1.6% in 2023 to almost 26,000 (25,591) while the value of FTB drawdowns increased to over €7.2 billion. These were the highest FTB annual levels since 2007. By contrast, mover purchase (mover) volumes fell by 10.6% to 9,638.

Within the FTB market, the number of FTB mortgages on existing properties (FTB Existing) rose by 0.3% to 16,985, the most since 2005, while the number of FTB mortgages to buy or build new properties (FTB New) increased by 4.2% to 8,606, the most since 2008.

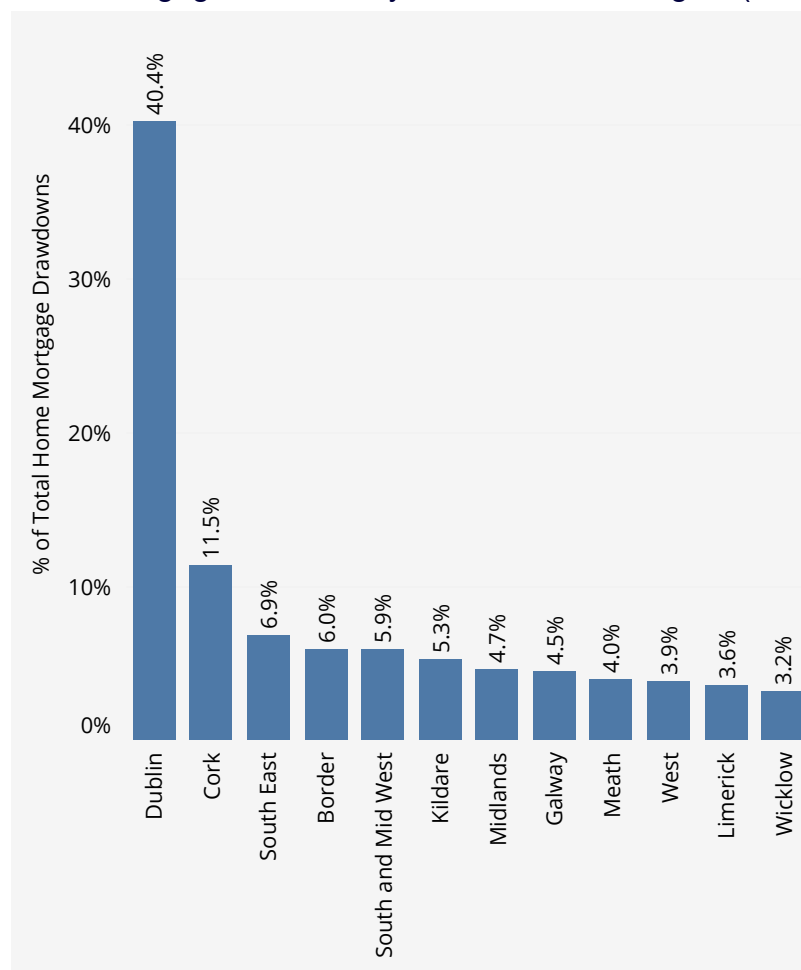
This report looks at the regional breakdown of home (FTB and mover) mortgage activity in 2023 and highlights the importance of Dublin, which accounted for by far the largest share of mortgage activity.

While 31.3% of FTB mortgages in 2023 were secured on properties in Dublin, borrowers from Dublin accounted for 40.4% of FTB mortgages issued. By contrast, Kildare, Meath and Wicklow each had higher shares of mortgage properties than mortgage borrowers. This implies that borrowers from Dublin have been securing properties in other counties while the bordering counties have seen an influx of borrowers from elsewhere, most likely Dublin.

Home Mortgage Volumes by Property Region (2023)



Home Mortgage Volumes by Main Borrower Region (2023)



Note: For joint mortgages, data on borrower residence only reflects the main borrower residence. This analysis excludes mortgages where the main borrower was living outside Ireland.

Source: BPF



Mortgage Market Profile Report

Commentary

Home county borrowers accounted of three-quarters of home mortgages in 2023

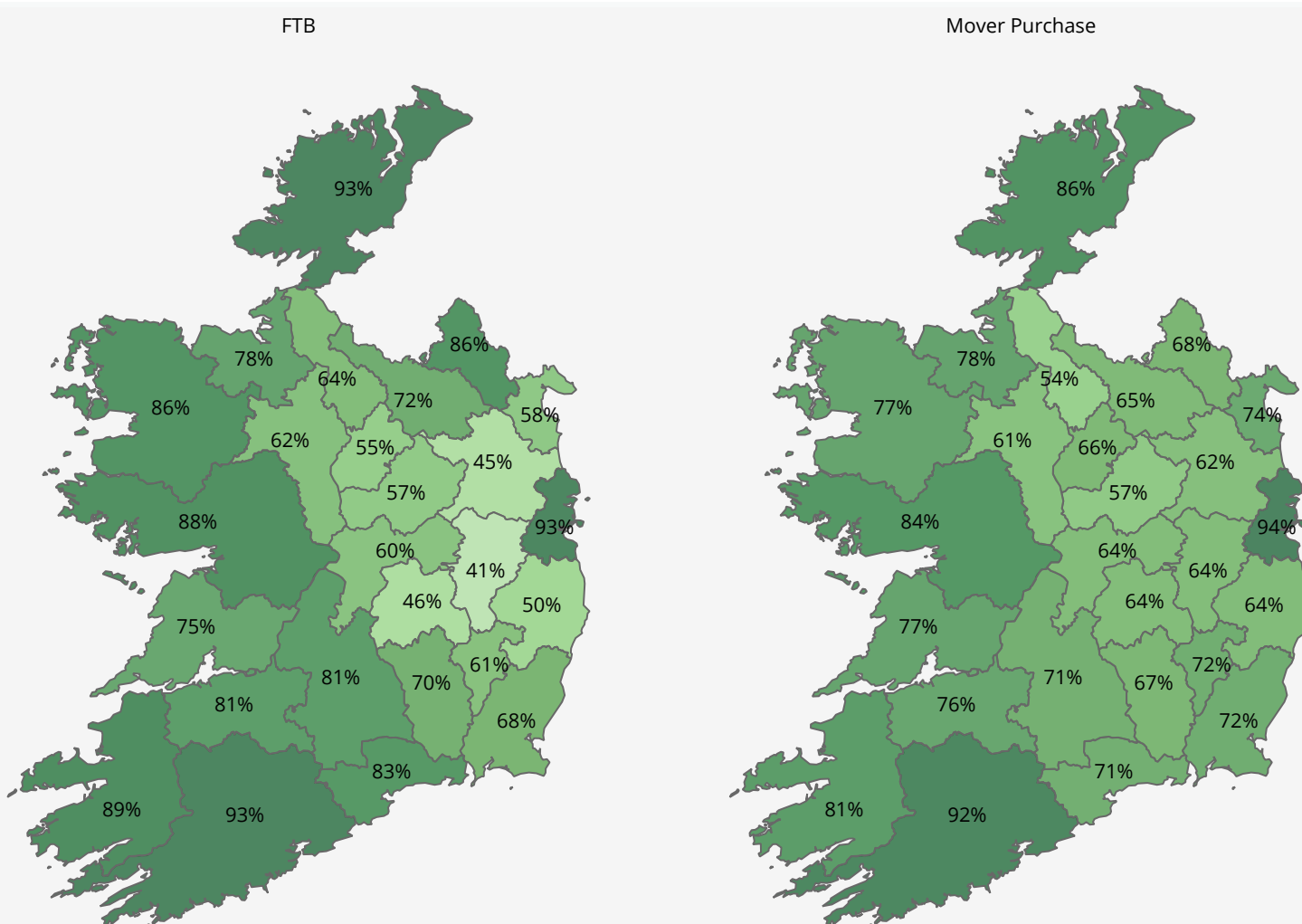
About three-quarters (77%) of home mortgage borrowers in 2023 were buying or building on their own counties. A lower proportion of FTBs (76%) than movers (82%) were home county borrowers.

Home county borrowers accounted for more than 90% of home mortgages in three counties: Dublin, Cork and Donegal, and more than 85% in Galway and Kerry. They accounted for at least three quarters of home mortgages in all counties on the western seaboard.

By contrast, home county borrowers accounted for less than half of home mortgages in three Leinster counties: Kildare, Laois and Meath. The proportions were even lower for FTB mortgages with home county borrowers accounting for 41-46% of FTB mortgages in those counties.

Home Borrower Share of Drawdowns by Property Location (2023)

Source: BPFII





Mortgage Market Profile Report

Commentary

Cross-county borrowers account for a rising share of FTB mortgages

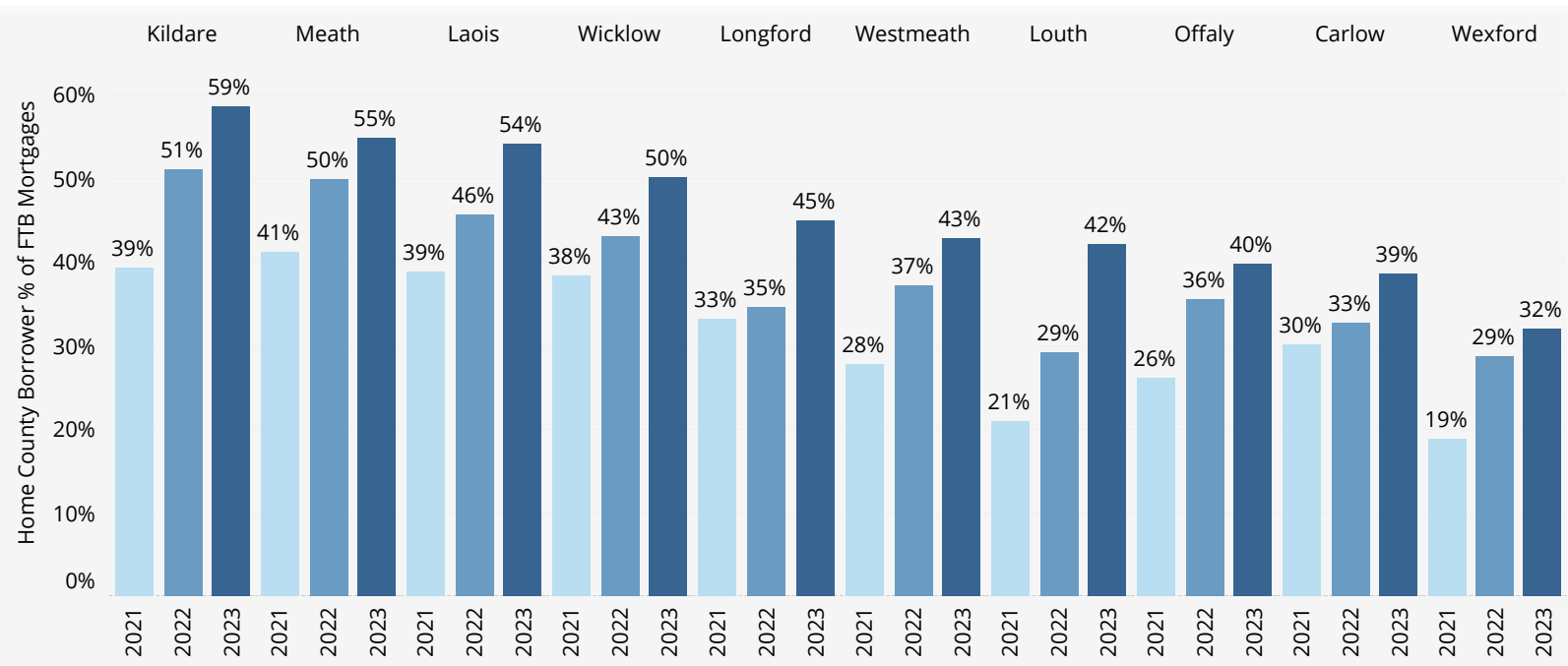
Home county borrowers accounted for 76% of FTB mortgages in 2023, down from 81% in 2021. This means that borrowers from other counties increased their share from 19% to 24% over that period. The increasing importance of cross-county borrowers is most evident in Leinster, where their share of mortgages has increased by at least ten percentage points in nine counties.

This likely reflects increased competition between buyers in the residential property market and huge demand from FTBs, with FTBs looking further afield and becoming more willing to move to buy their first home.

This is evident across the country with Limerick borrowers accounting for 13% of FTB mortgages in Clare and Kildare borrowers representing 11% of FTB mortgages in Laois but by far the biggest impact comes from Dublin borrowers moving to other counties.

Cross-county Borrower Share for FTBs in Selected Counties (2021-23)

Source: BPI



Given the impact of Help to Buy and the First Home Scheme in incentivising FTBs to buy or build new properties, it's also notable that Kildare, Meath, Laois and Wicklow accounted for about 35% of Help to Buy claims in 2023 (Kildare alone accounted for 15%).

This reflects the importance of these counties in the supply of new housing for purchase. Some 31% of new scheme house completions in 2023 were in those four counties, according to the Central Statistics Office (CSO), as well as 35% of all market-based household purchases of new properties in 2023.

For new builds, the home borrower share was lower: 32% of FTB mortgages on new properties in Kildare compared with 55% of existing properties in the county.

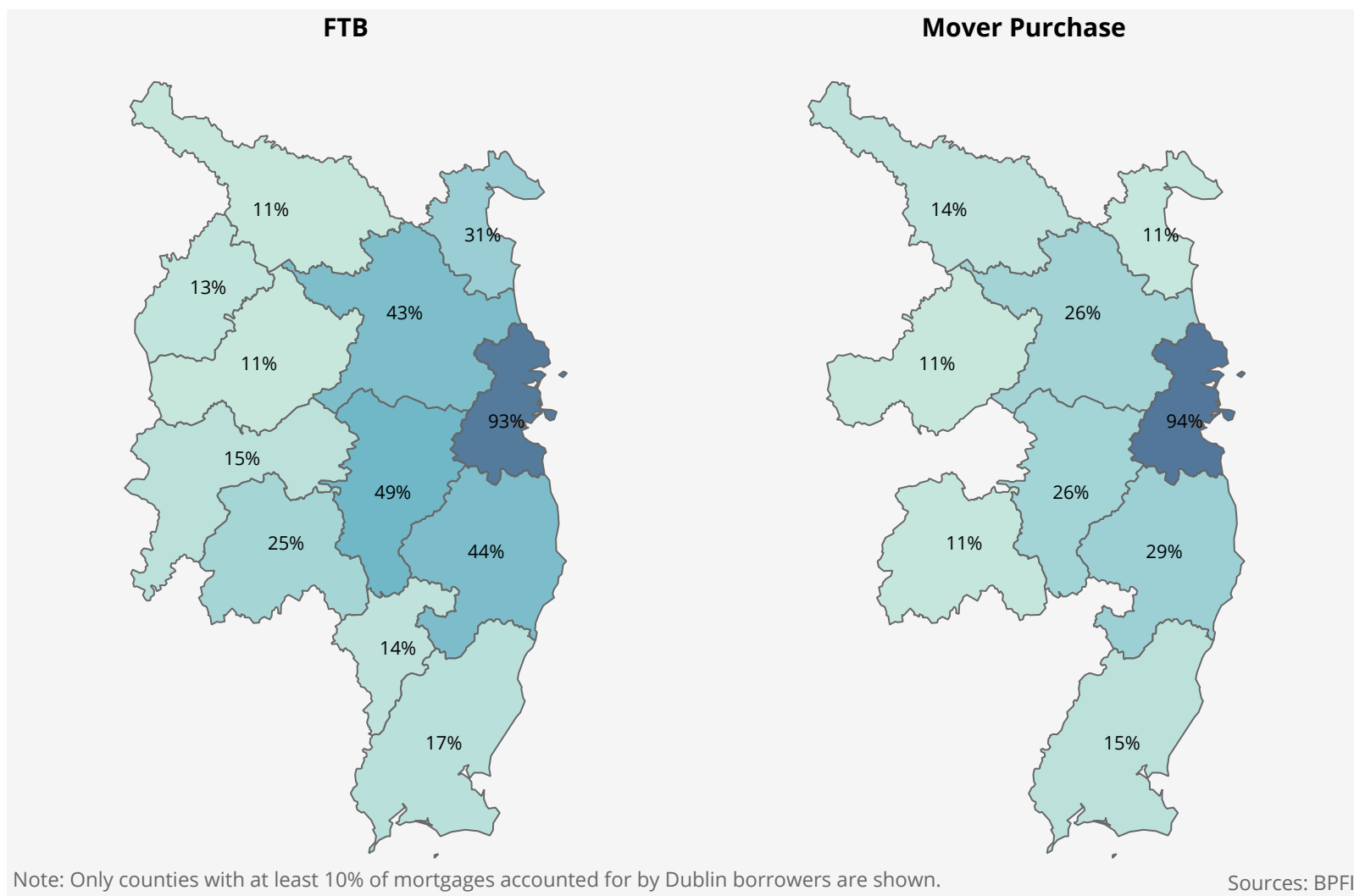


Mortgage Market Profile Report

Commentary

Dublin borrowers account for a large share of activity in neighbouring counties

Dublin Borrower Share of County Mortgages



Dublin borrowers accounted for at least a tenth of FTB mortgages in eleven other counties in 2023, from Cavan in the north to Wexford in the south.

They represented 49%, 44% and 43% of FTB mortgages in Kildare, Wicklow and Meath, respectively. They also accounted for more than a quarter of mover purchase mortgages in the three counties sharing a border with Dublin.

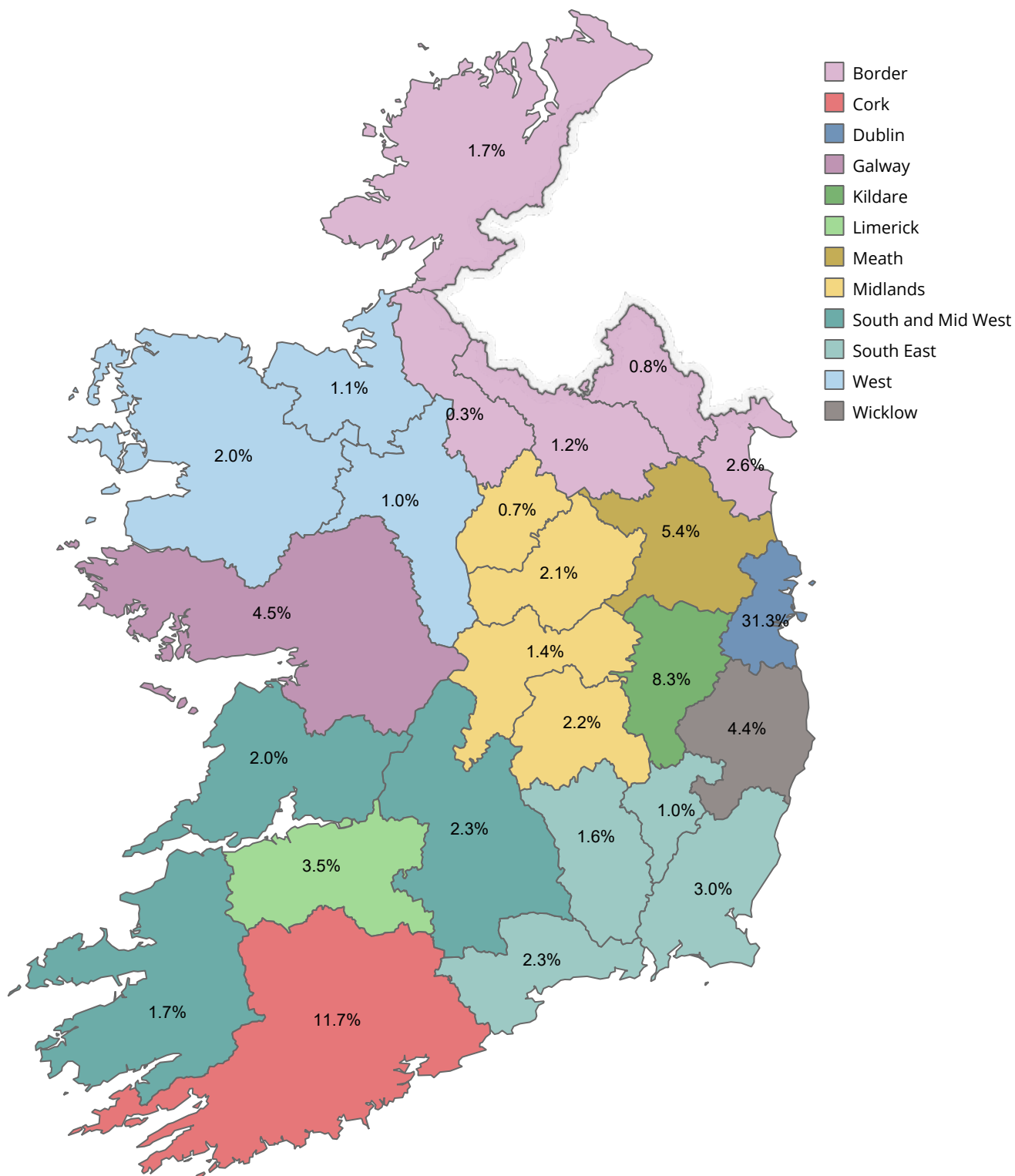
Dublin borrowers accounted for an even higher share of new semi-detached or terraced houses, ranging from 55% in Meath to 60% in Kildare.



Mortgage Market Profile Report

National Overview

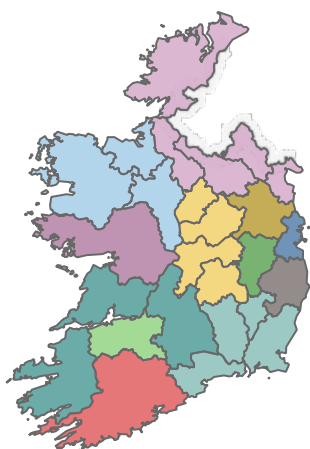
Share of Lending Volume by County (12 months ending December 2023)





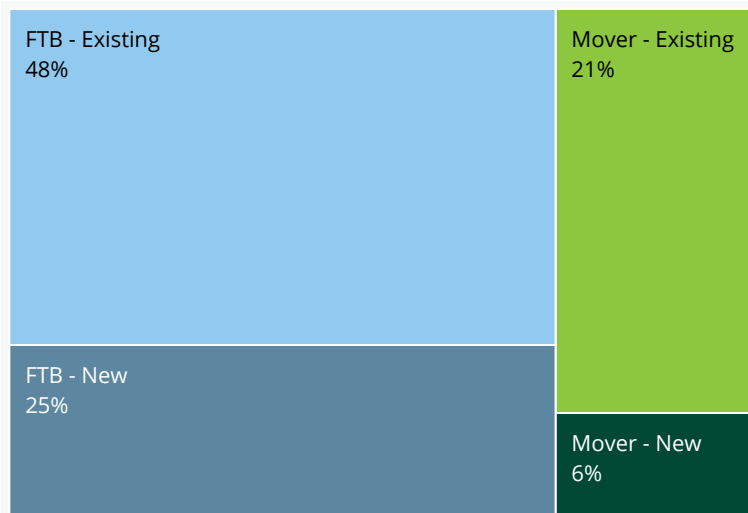
Mortgage Market Profile Report

National



© Mapbox © OSM

Customer Type-Property Status Share

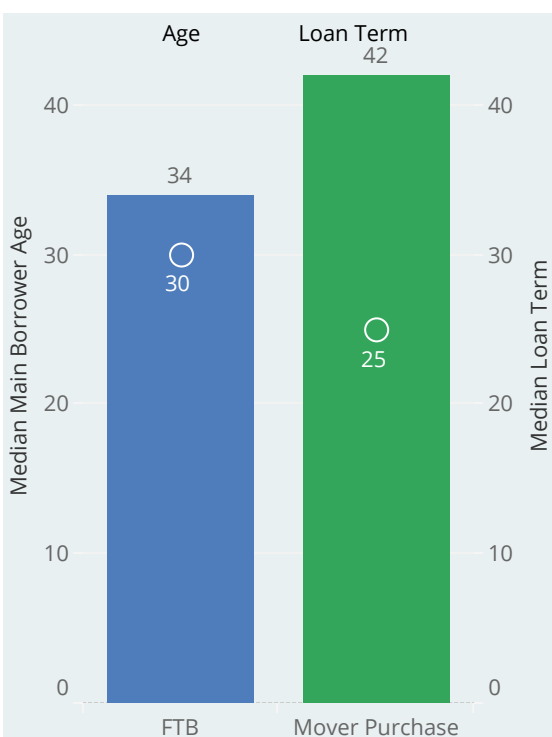


Note: All charts on this page refer to H2 2023.

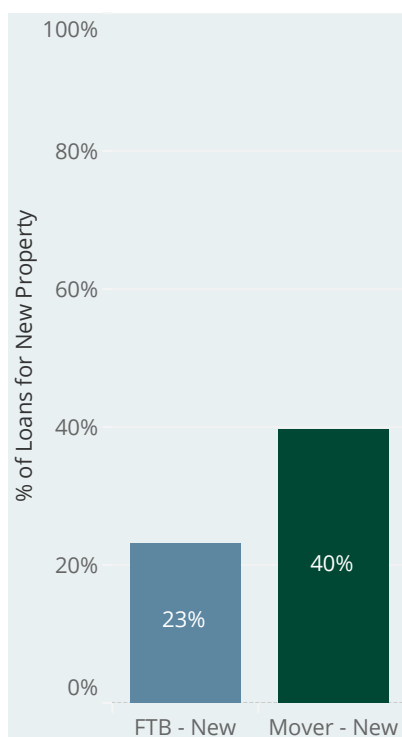
Median basic household incomes for FTBs buying existing properties rose by about €2,000 in twelve months to about €76,000 in H2 2023 while the median income for FTBs buying or building new properties (FTB New) was about €1,000 lower at €90,000. It's notable that apartments accounted for a larger share of FTB New mortgages, especially in Dublin and apartment buyers in Dublin tend to have relatively lower incomes.

Median loan and property values rose fastest in the FTB Existing segment, with the median loan up by about €20,000 to €250,000 between H2 2022 and H2 2023, while the median property value rose by about €21,000 to €311,000.

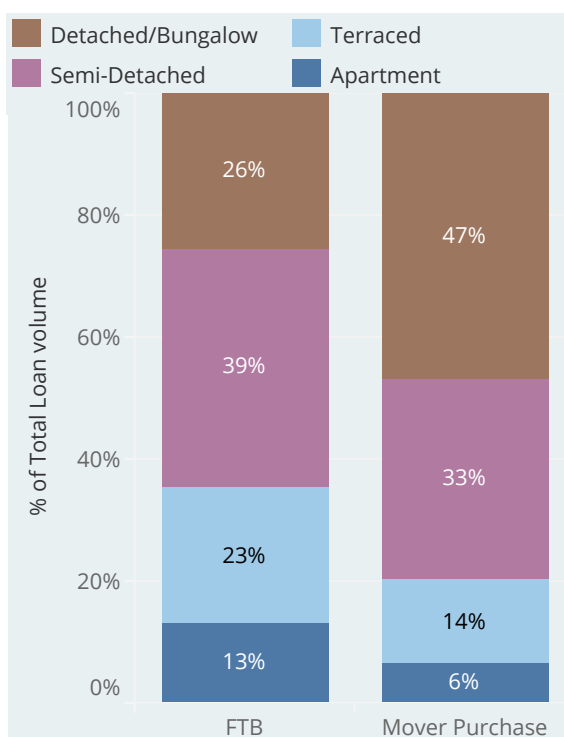
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

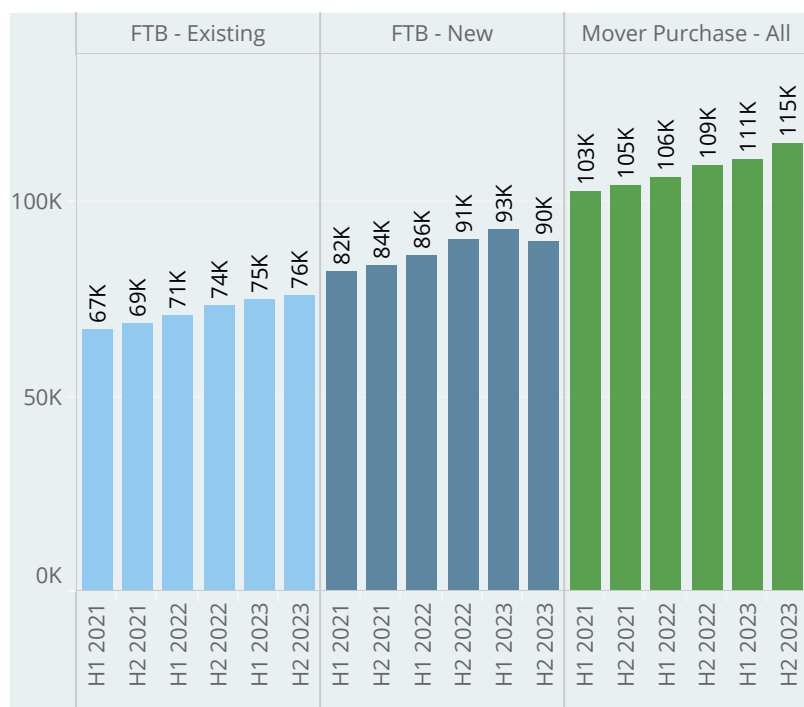




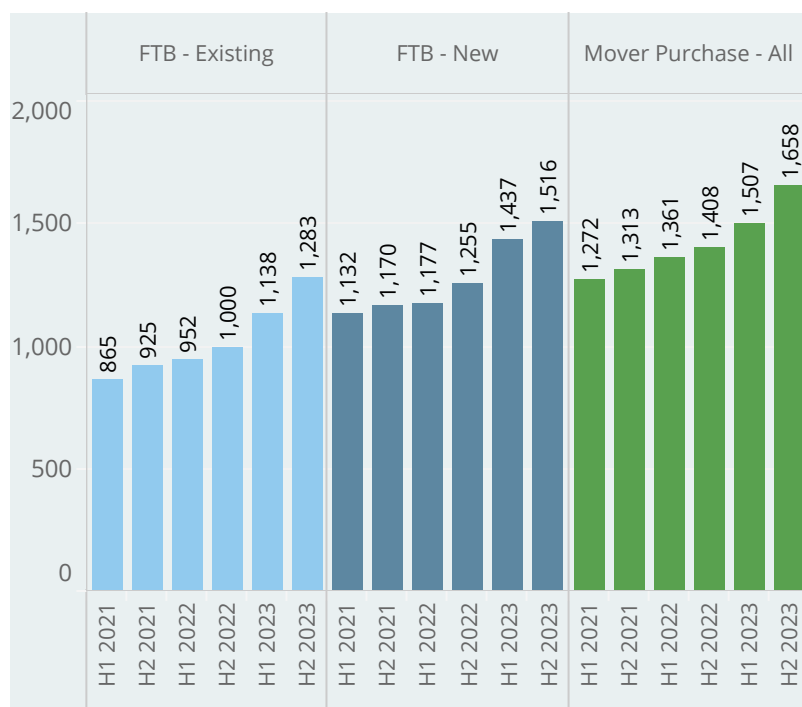
Mortgage Market Profile Report

National

Median Basic Household Income



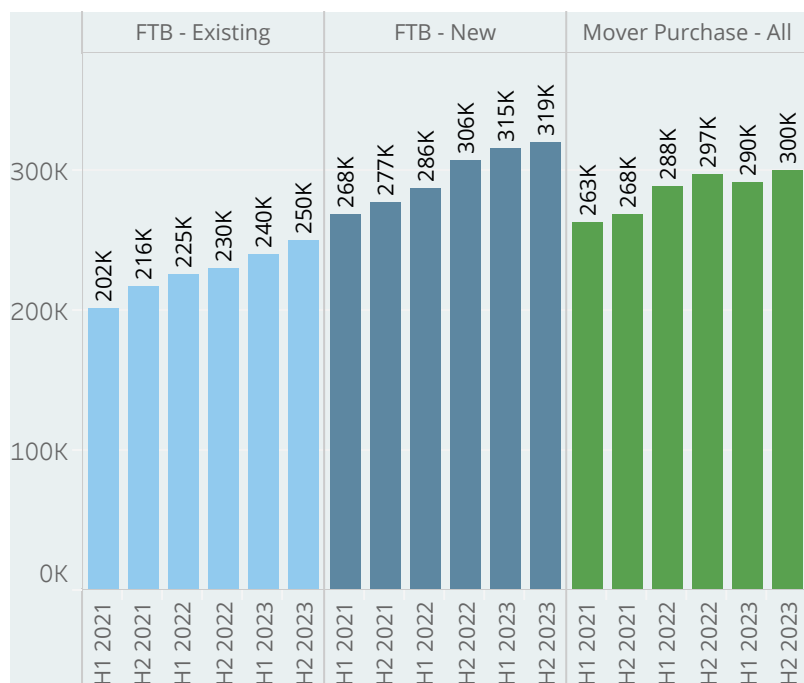
Median Monthly Repayment



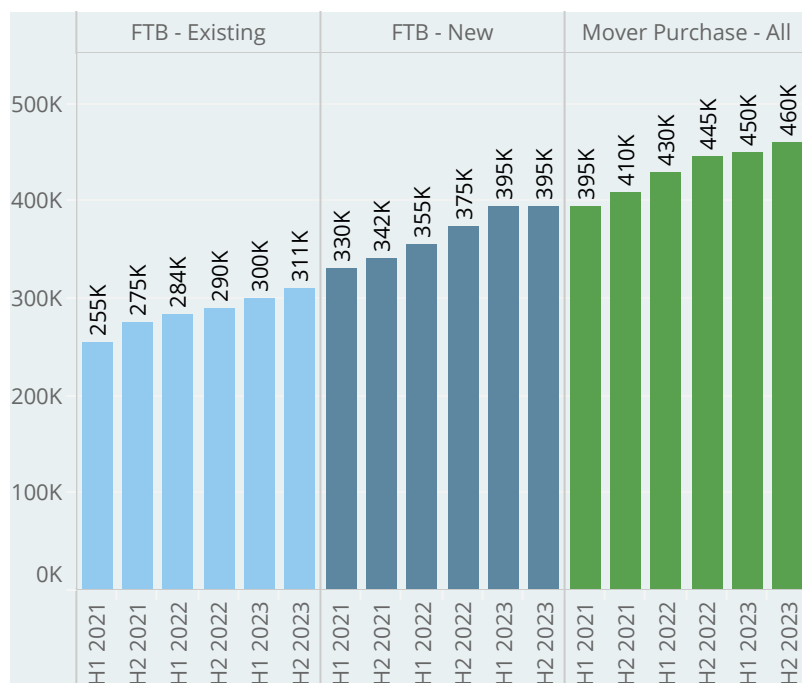
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





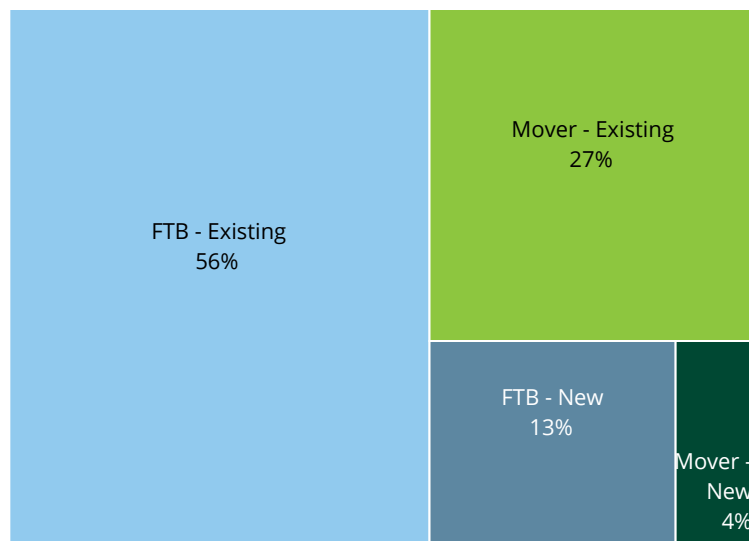
Mortgage Market Profile Report

Dublin



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

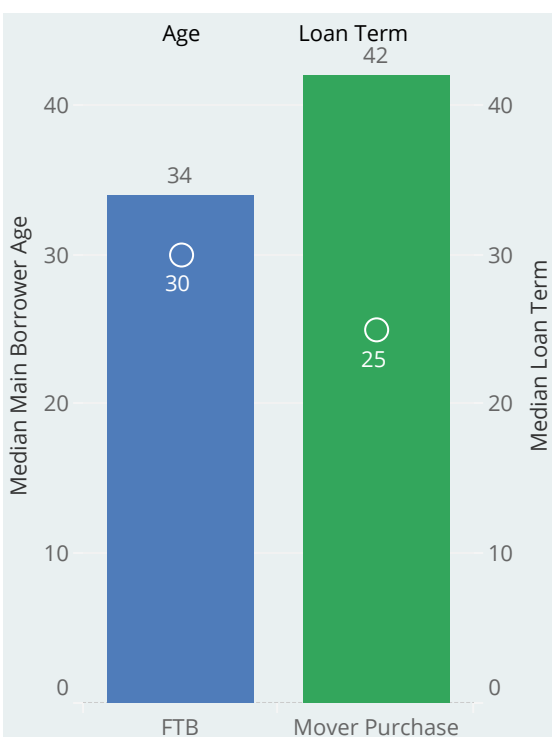


Note: All charts on this page refer to H2 2023.

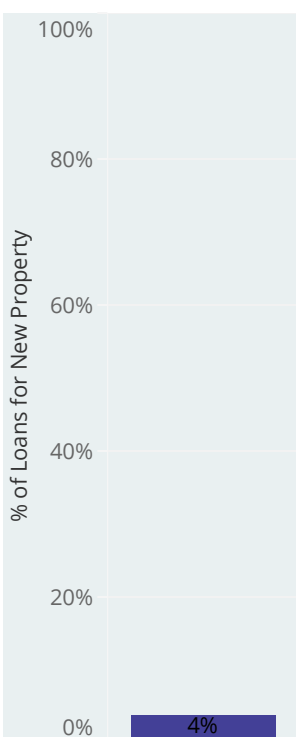
Dublin had the highest proportion of FTB mortgages on apartments and terraced housing in H2 2023. Some 22% of FTB mortgages on new properties were for apartments while 45% of FTB mortgages on new properties were for terraced houses. For FTB mortgages on existing properties, 30% were for apartments while 36% were for terraced houses.

Dublin had the largest disparity between the share of FTB mortgages secured on new and existing properties. Only 13% of all mortgages in Dublin were for FTBs buying or building new properties while 56% of mortgages in the region were for FTBs on existing properties, up from 50% in H2 2022.

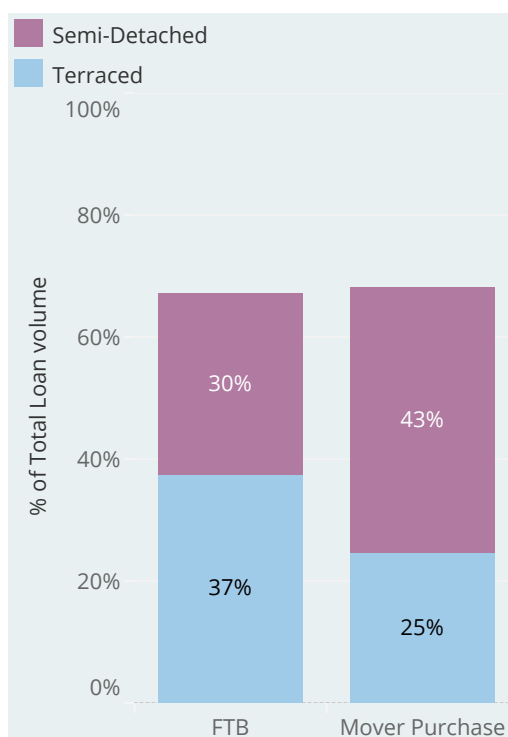
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

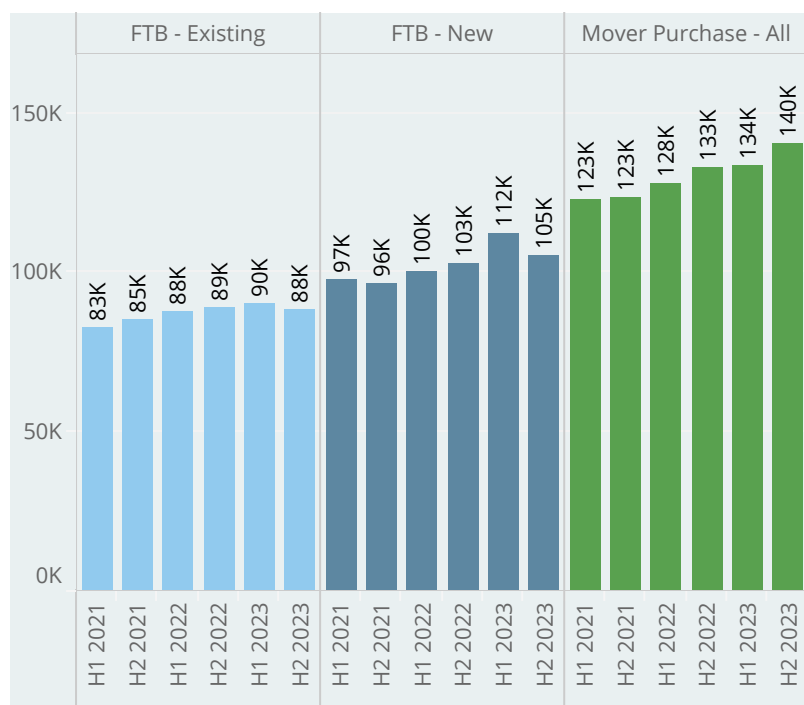




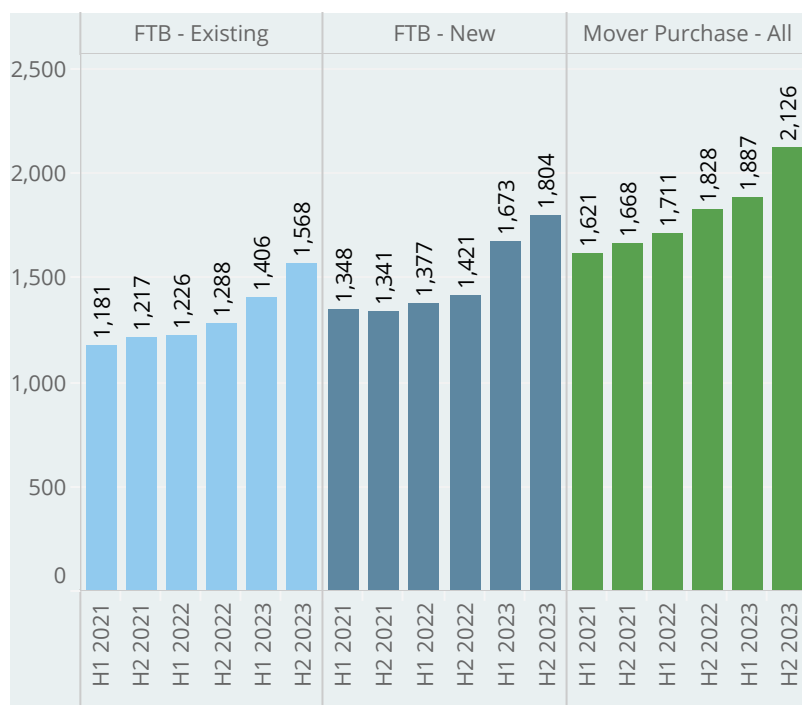
Mortgage Market Profile Report

Dublin

Median Basic Household Income



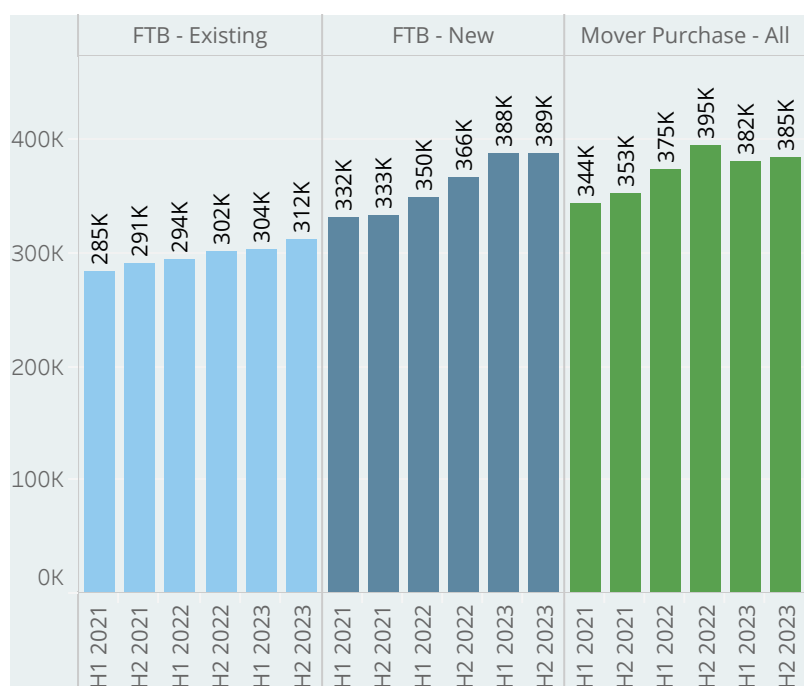
Median Monthly Repayment



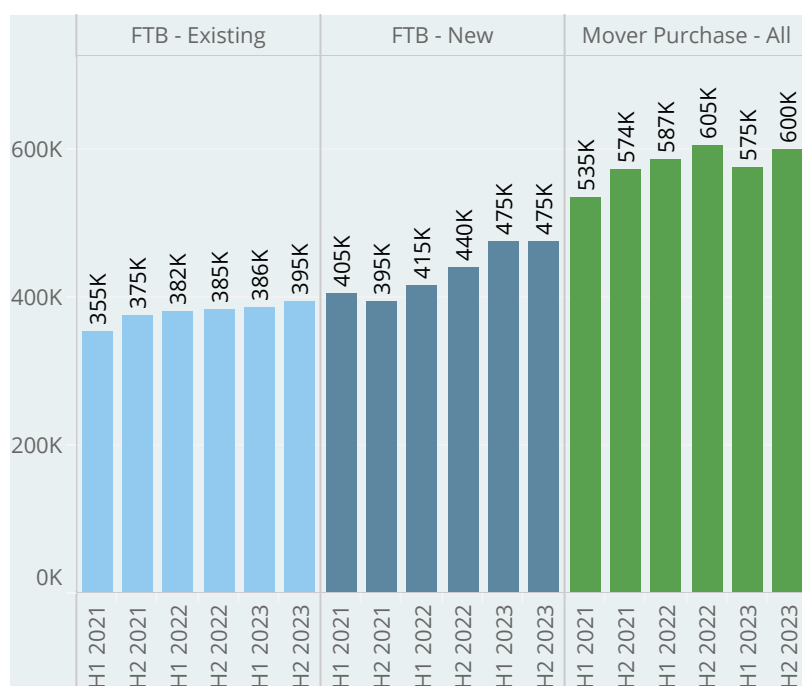
Note: Excluding self-builds

FTB - Existing FTB - New Mover Purchase - All

Median Loan



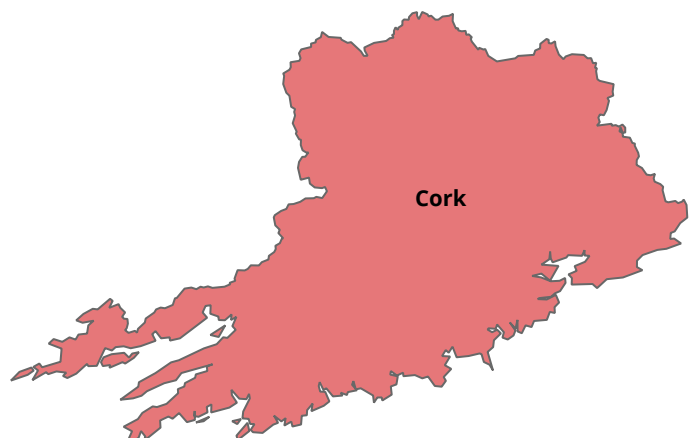
Median Property Value





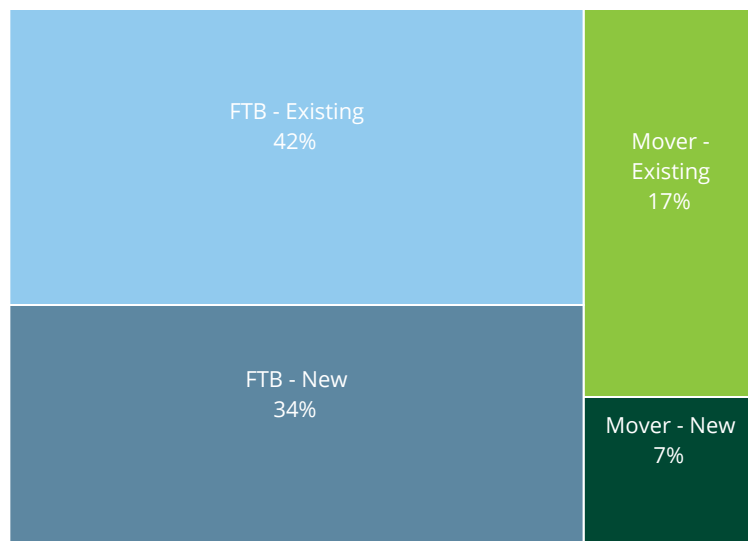
Mortgage Market Profile Report

Cork



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

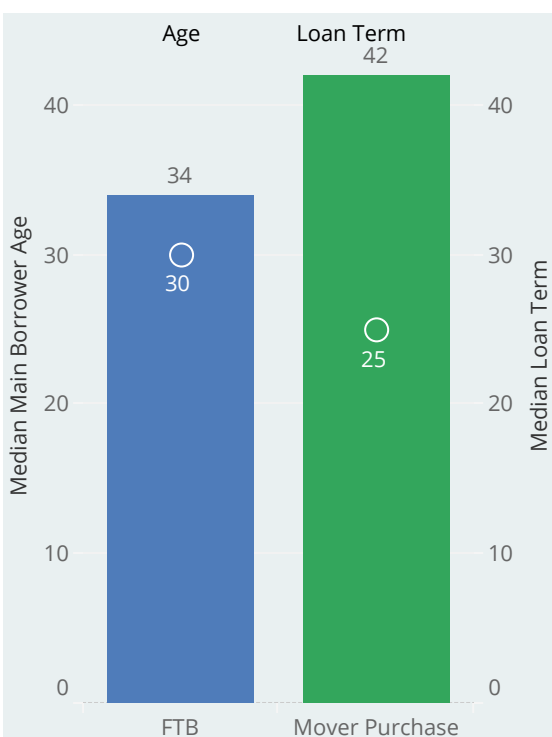


Note: All charts on this page refer to H2 2023.

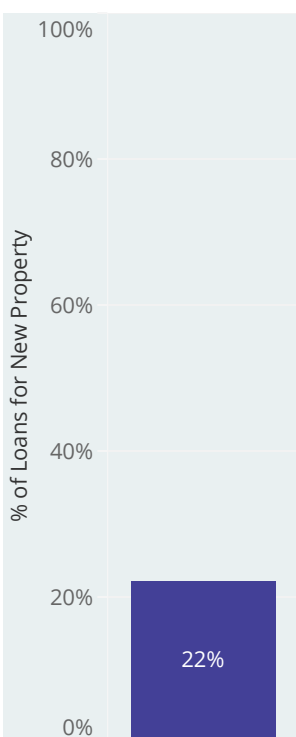
Cork was the country's second largest home mortgage market with 10.2% of FTB mortgages on existing properties and 10.1% of mover purchase mortgages in H2 2023. It also accounted for 14.9% of FTB mortgages on new properties (slightly lower than Dublin's leading 15.2% share).

The median property value of FTB mortgages on new and existing properties increased by 4% and 7% year on year to €375,000 and €300,000, respectively. The median mover purchaser property value remained unchanged at €420,000.

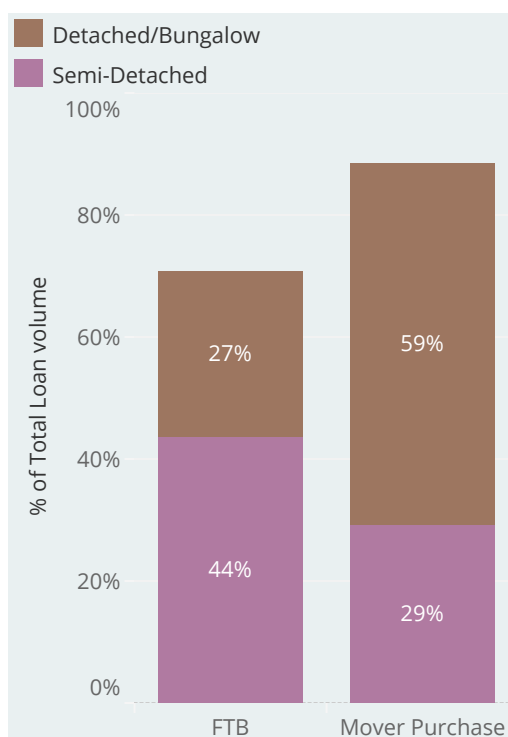
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

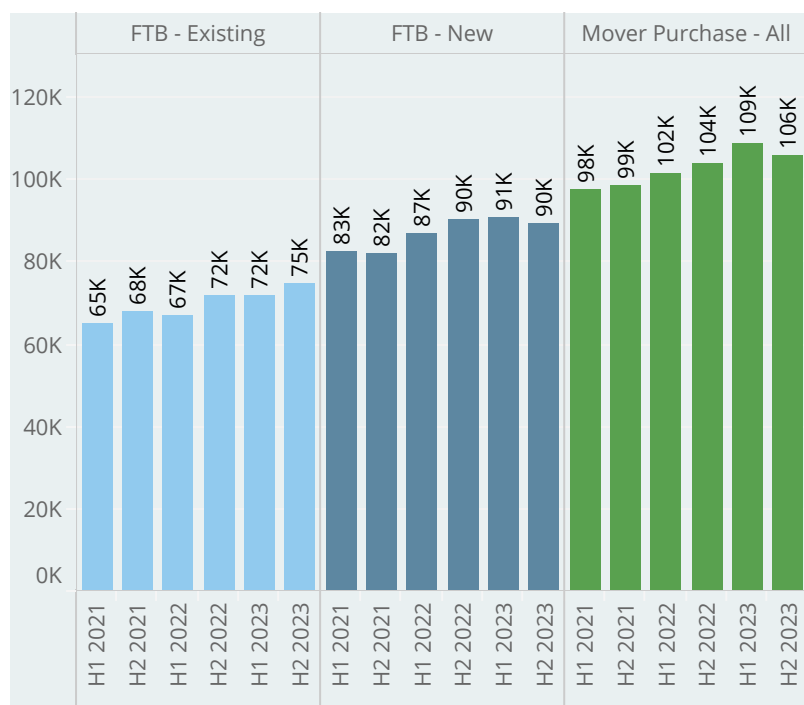




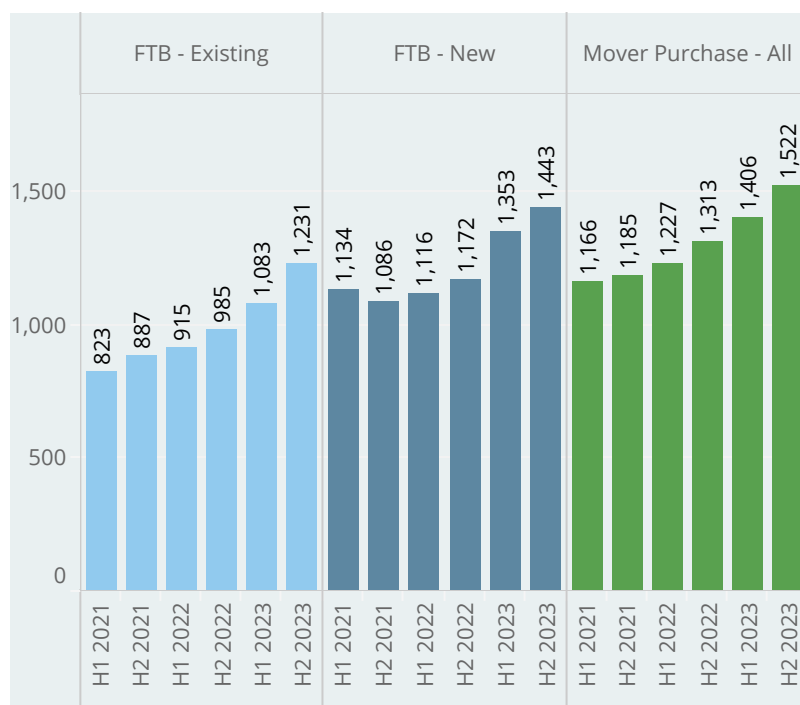
Mortgage Market Profile Report

Cork

Median Basic Household Income



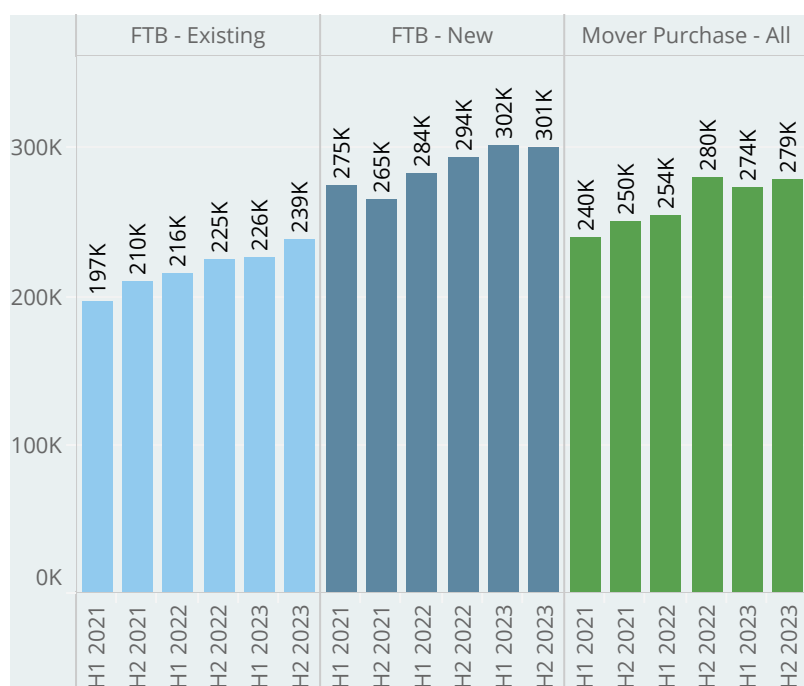
Median Monthly Repayment



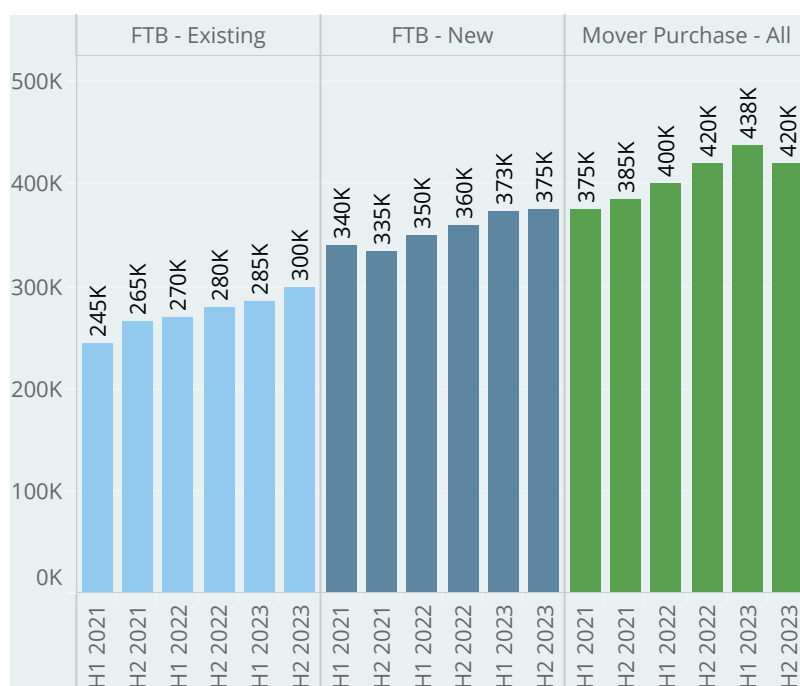
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





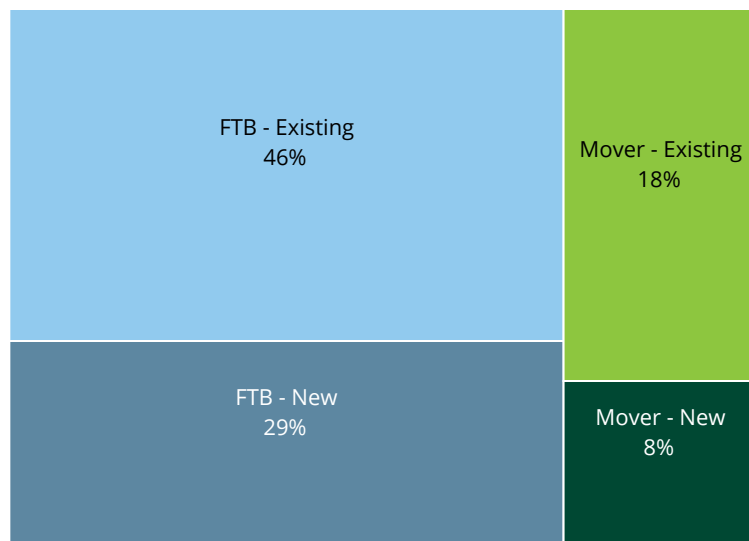
Mortgage Market Profile Report

Galway



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

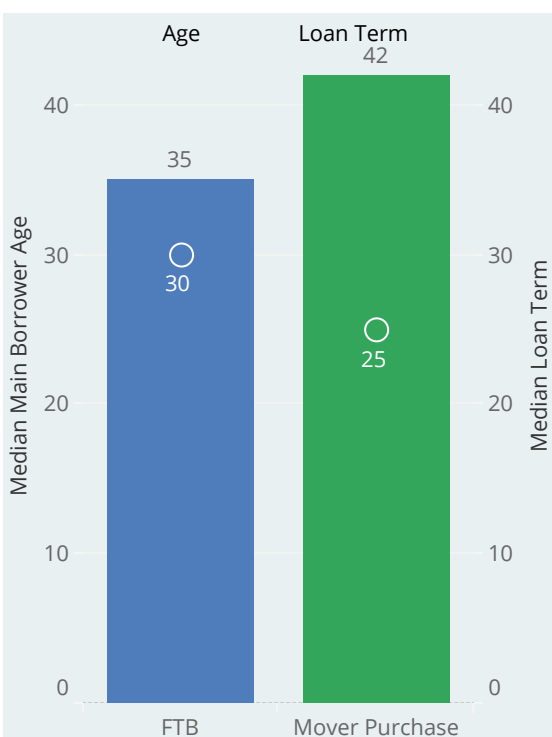


Note: All charts on this page refer to H2 2023.

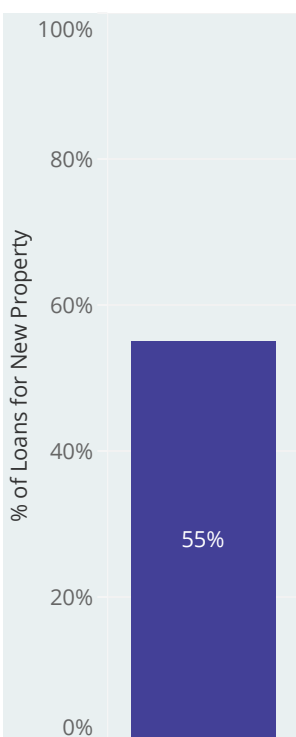
Galway was the only region in which the median property value of all customer segment mortgages rose by more than 10% year-on-year. The median property value for a FTB mortgage on a new property was €417,000, up 19% year on year, the largest increase in all regions and across all customer segments.

At 55%, Galway was one of the three regions (with the West and the South and Mid West) in which self-builds accounted for more than half of new mortgage drawdowns in H2 2023. This was also the highest proportion since H1 2022. Detached houses/bungalows accounted for 43% of FTB and 65% of mover purchase mortgages.

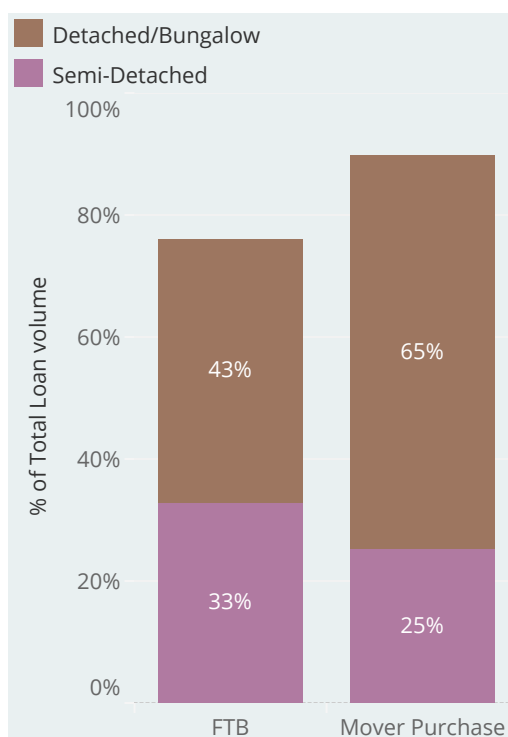
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

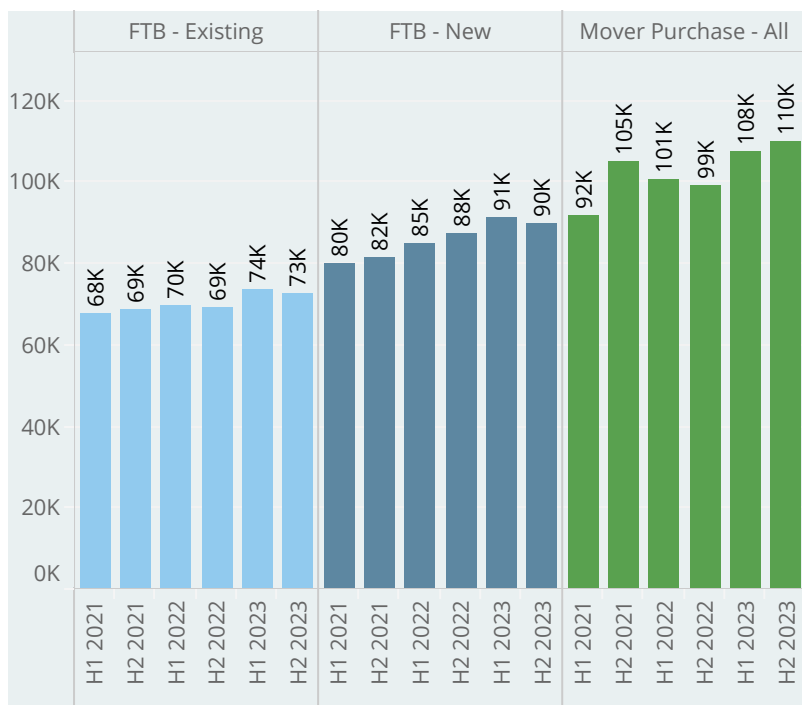




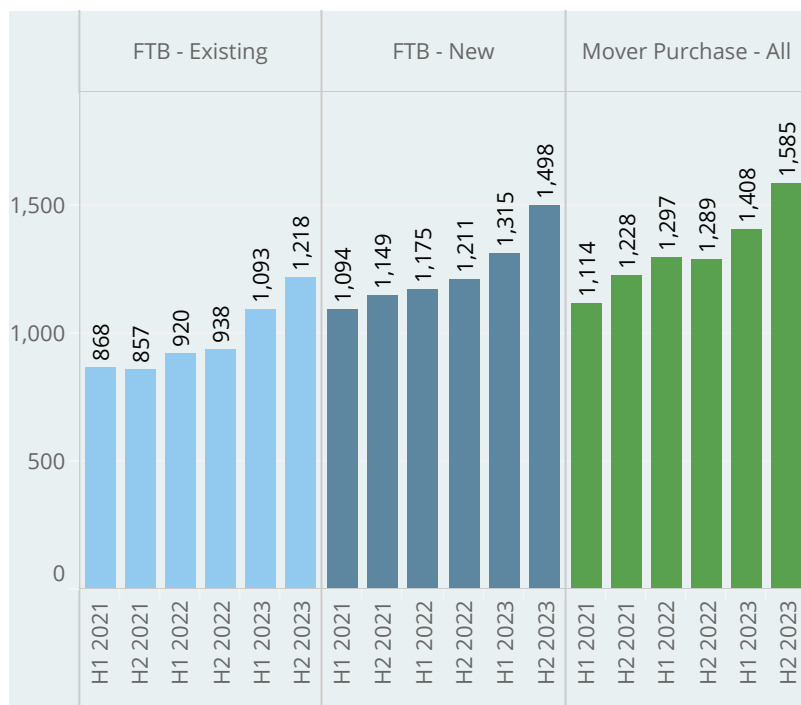
Mortgage Market Profile Report

Galway

Median Basic Household Income



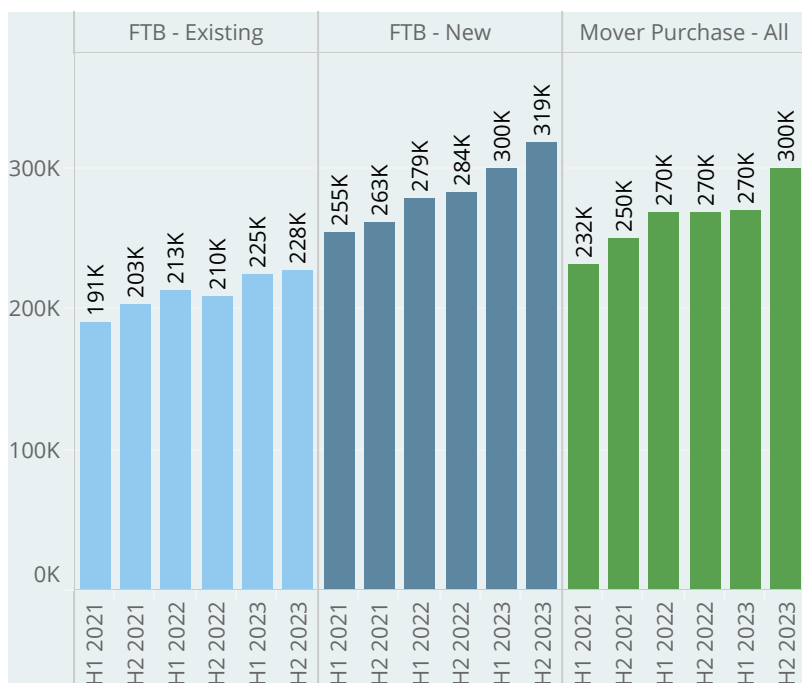
Median Monthly Repayment



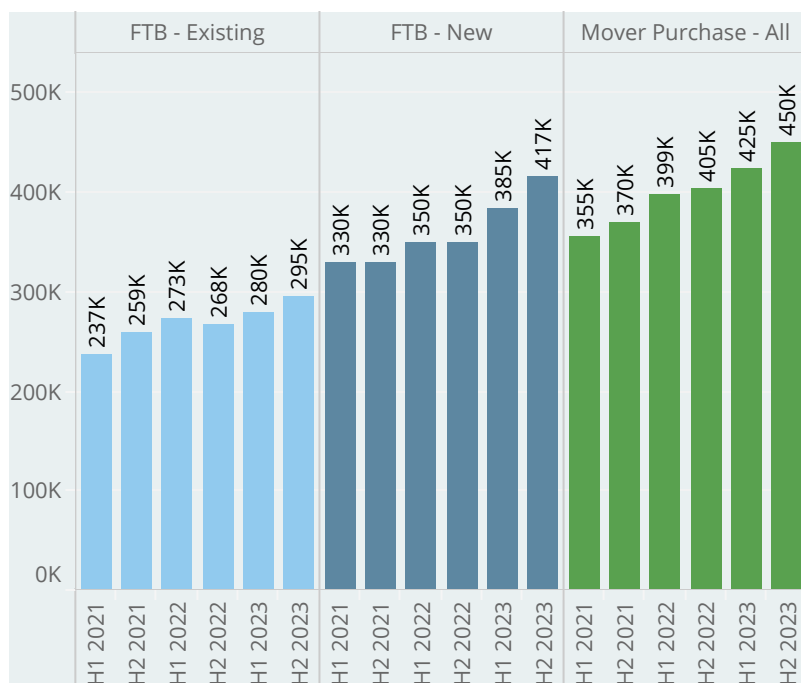
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





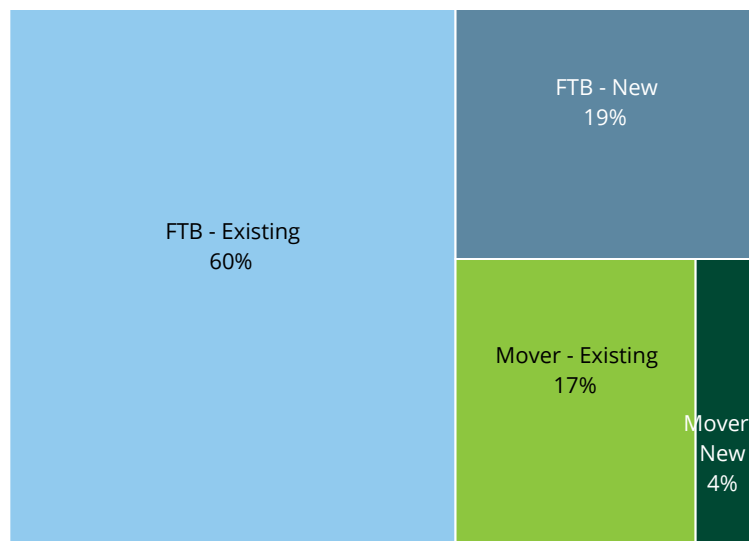
Mortgage Market Profile Report

Limerick

Customer Type-Property Status Share



© 2024 Mapbox © OpenStreetMap

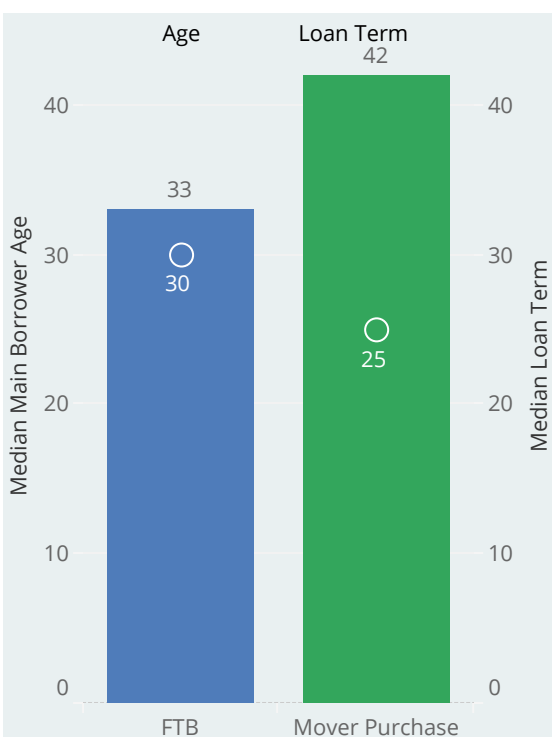


Note: All charts on this page refer to H2 2023.

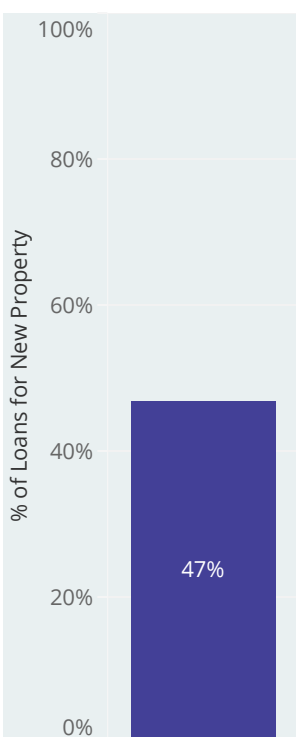
The median property value of FTB mortgages on new property including self-builds in Limerick rose by 11% year on year to €390,000 in H2 2023 while the median property value on FTB mortgages on existing property rose by 6% to €256,000. The median property value of a mover purchaser mortgage rose by 14% to €398,000, the highest rate of growth for mover purchase in all regions. Similarly, the median mover purchase household income and mortgage value both increased substantially but the number of mortgages involved was relatively small.

Some 60% of mortgages in Limerick were FTB mortgages on existing property, making it the county with the largest share of home mortgages going to FTBs buying existing property.

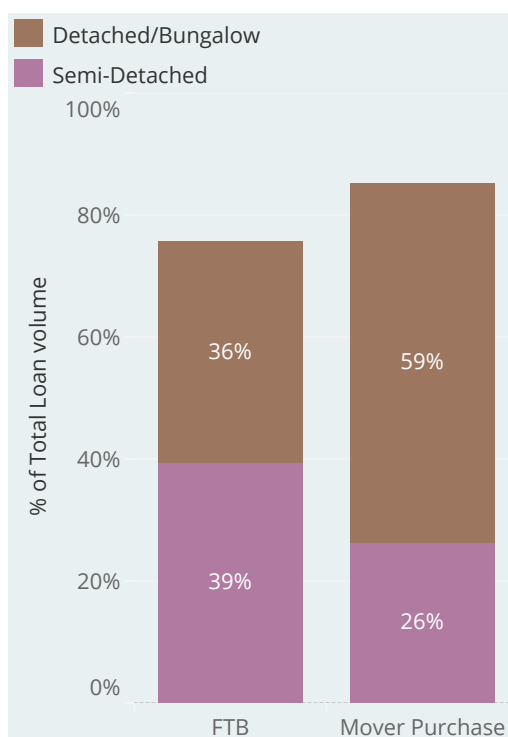
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

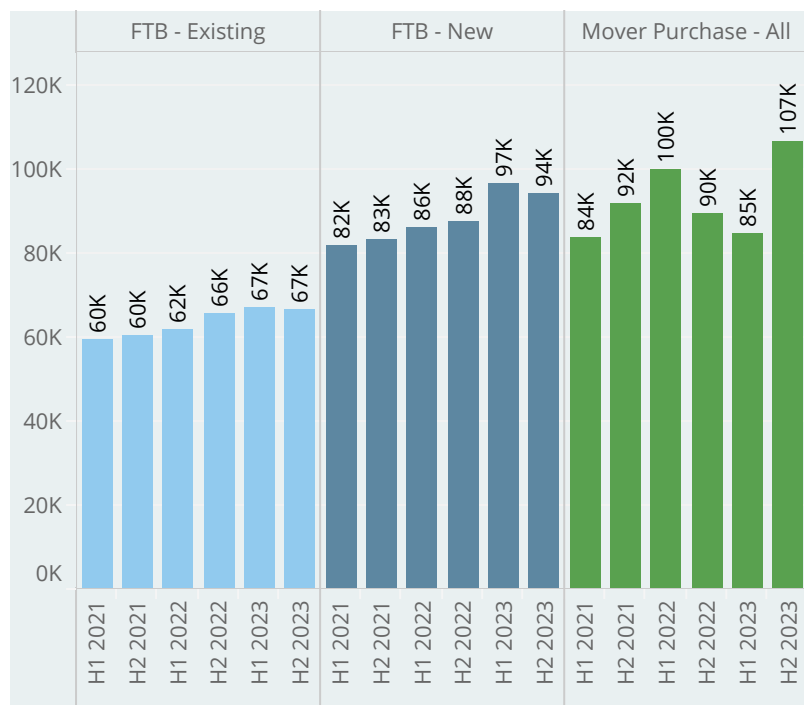




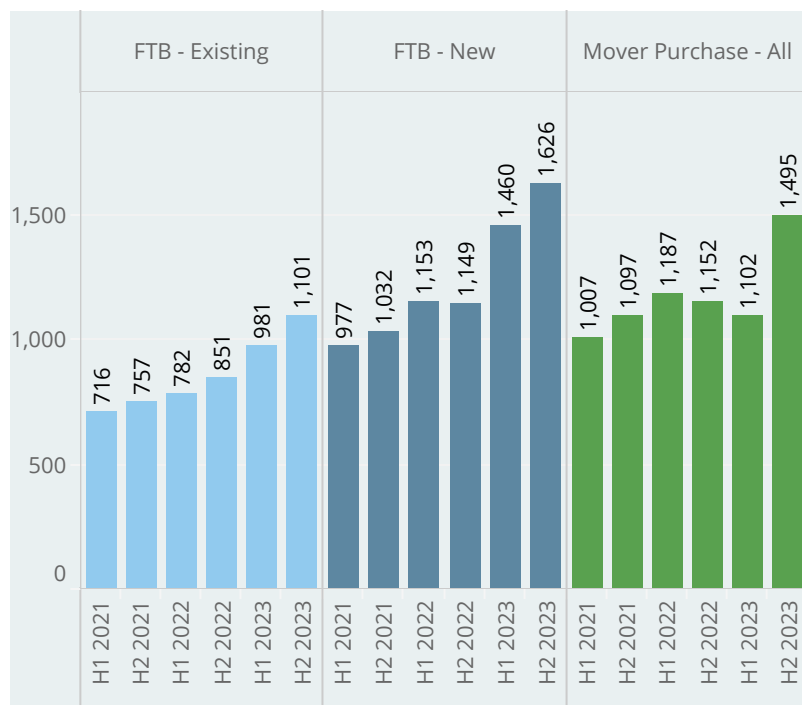
Mortgage Market Profile Report

Limerick

Median Basic Household Income



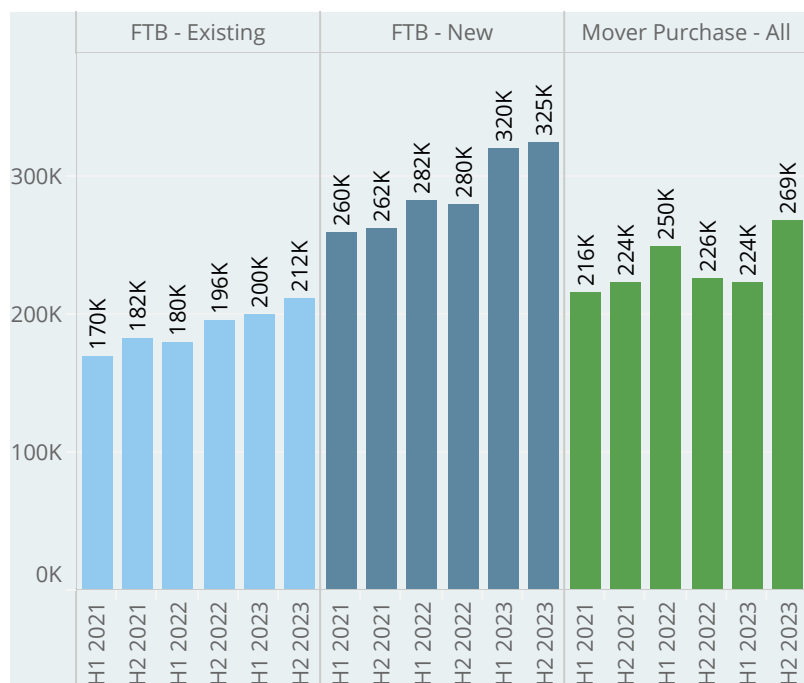
Median Monthly Repayment



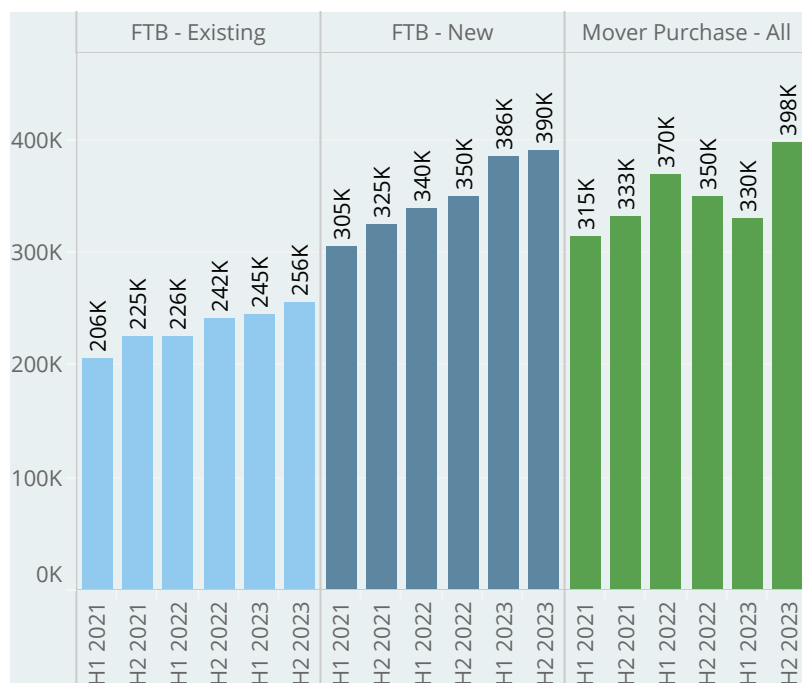
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





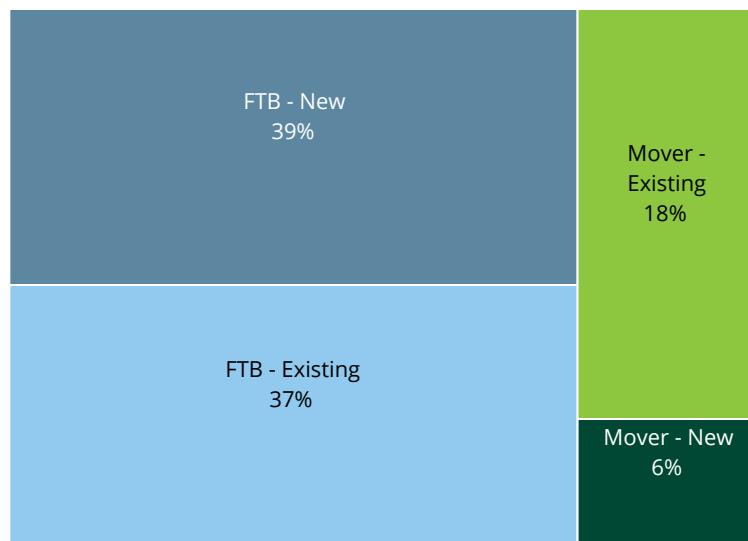
Mortgage Market Profile Report

Meath



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

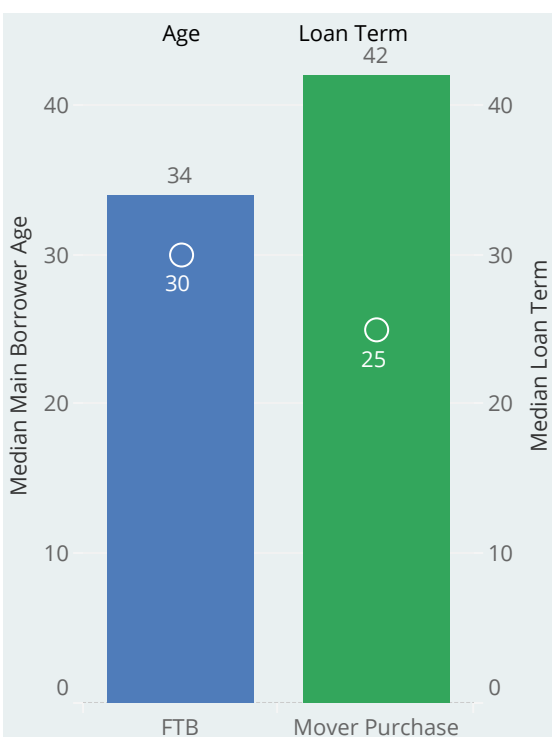


Note: All charts on this page refer to H2 2023.

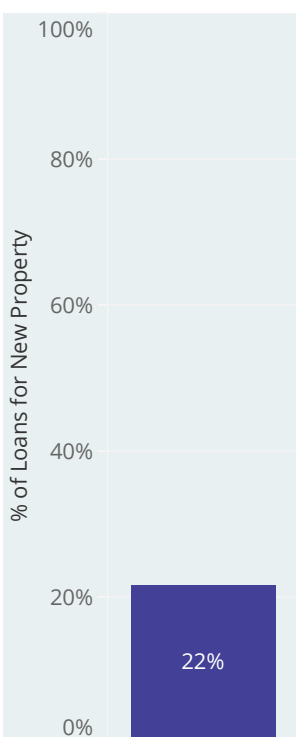
Meath was one of the three regions in which there were more FTB mortgages on new properties than on existing properties in H2 2023. Some 37% of FTB mortgages were for existing properties while 39% were for new properties or self-builds.

The median loan value for those moving home was €275,000. For FTBs buying new property or self-builds, the median loan value was €320,000 while buying an existing property had a much lower median loan value of €258,000.

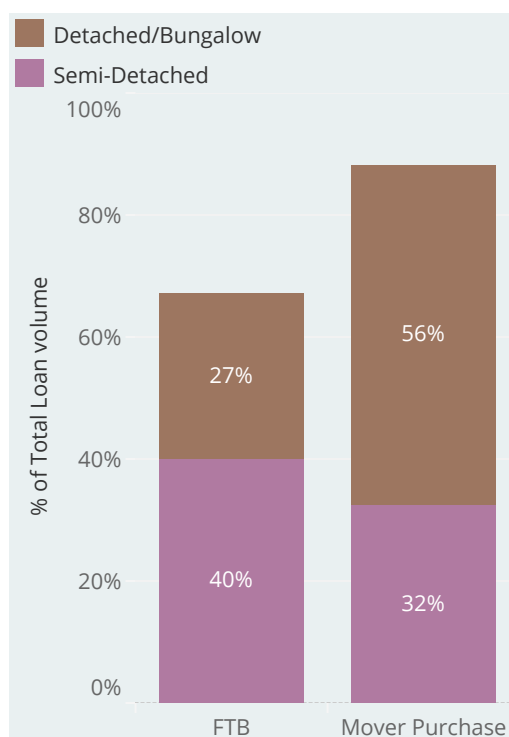
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

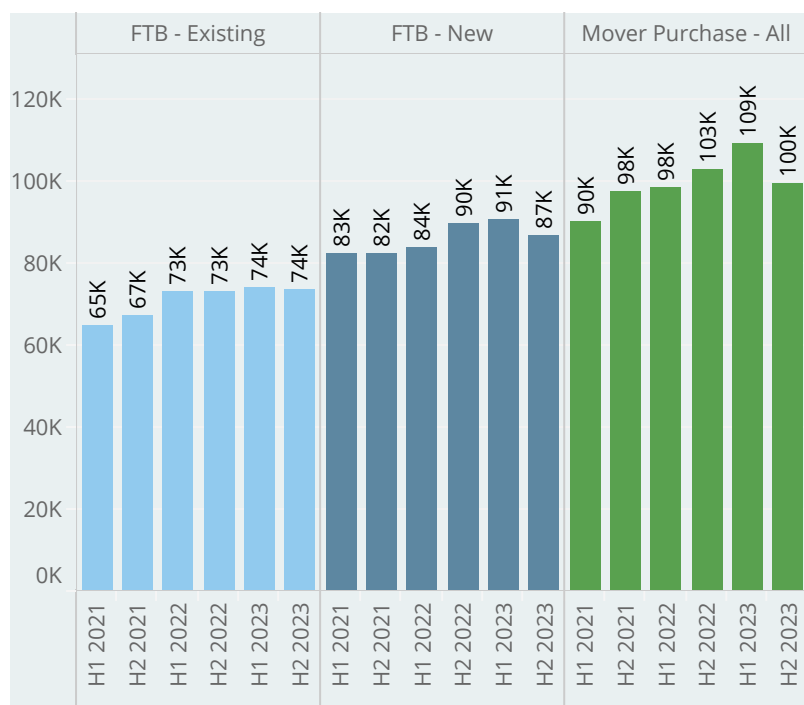




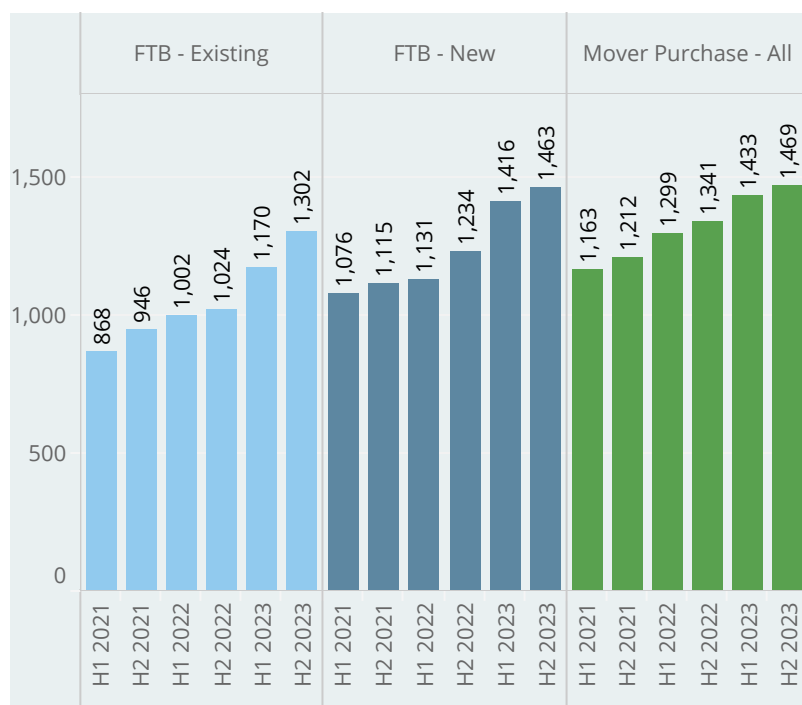
Mortgage Market Profile Report

Meath

Median Basic Household Income



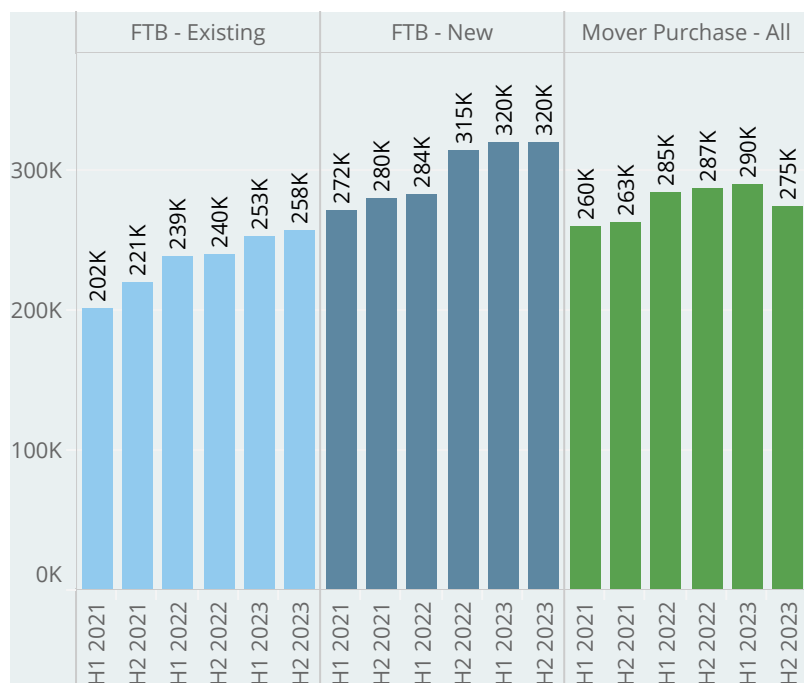
Median Monthly Repayment



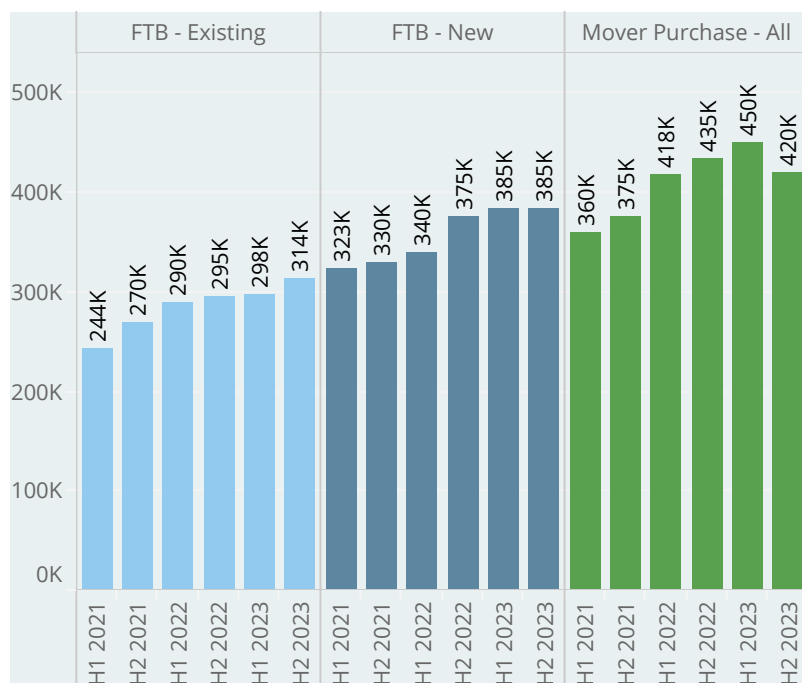
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





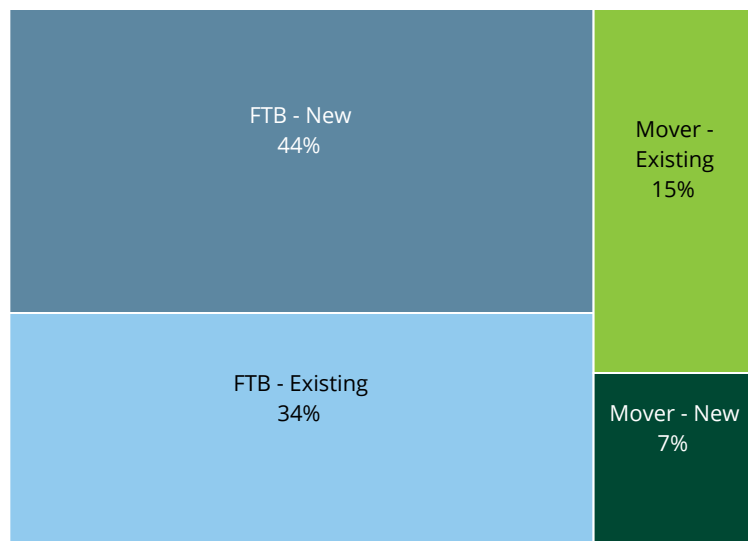
Mortgage Market Profile Report

Kildare



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

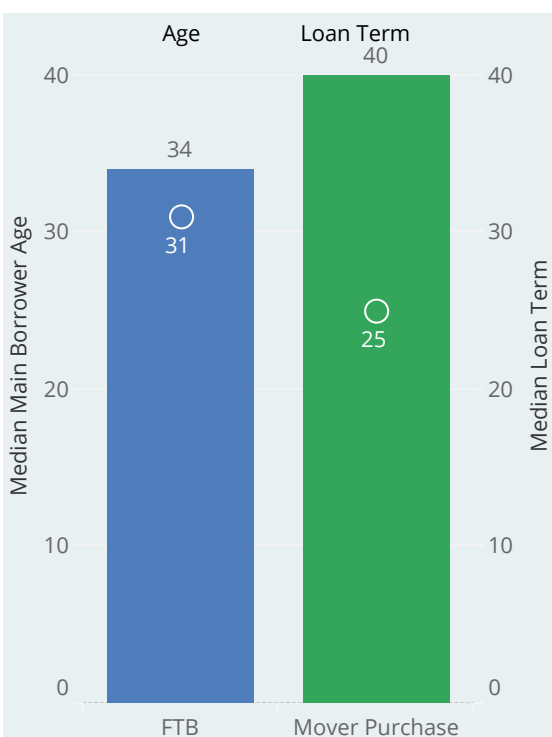


Note: All charts on this page refer to H2 2023.

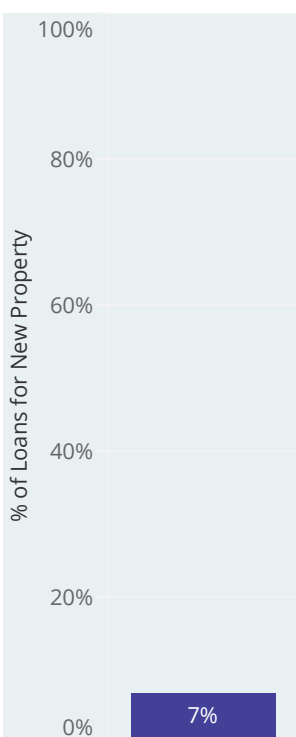
Some 44% of mortgages in Kildare were for FTBs buying new properties or self-builds, the highest share of all regions and just one of three regions in which there were more FTB mortgages on new properties than FTB mortgages on existing properties (34%).

Kildare had the third largest share of FTB mortgages on new properties nationwide at 13% in H2 2023.

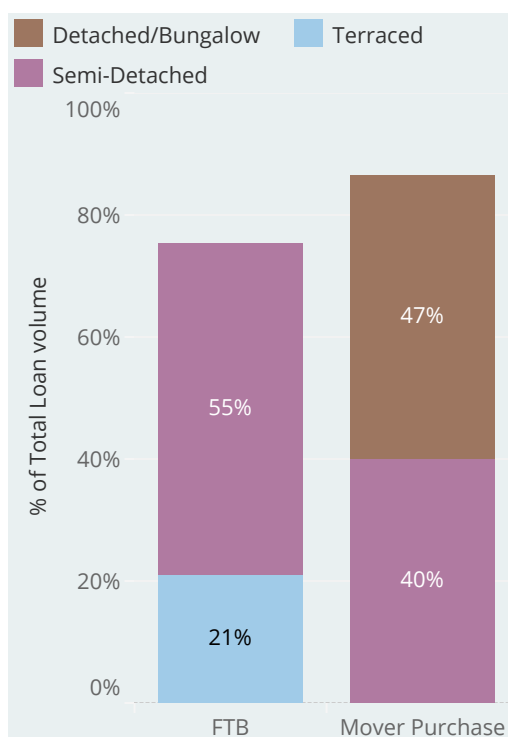
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

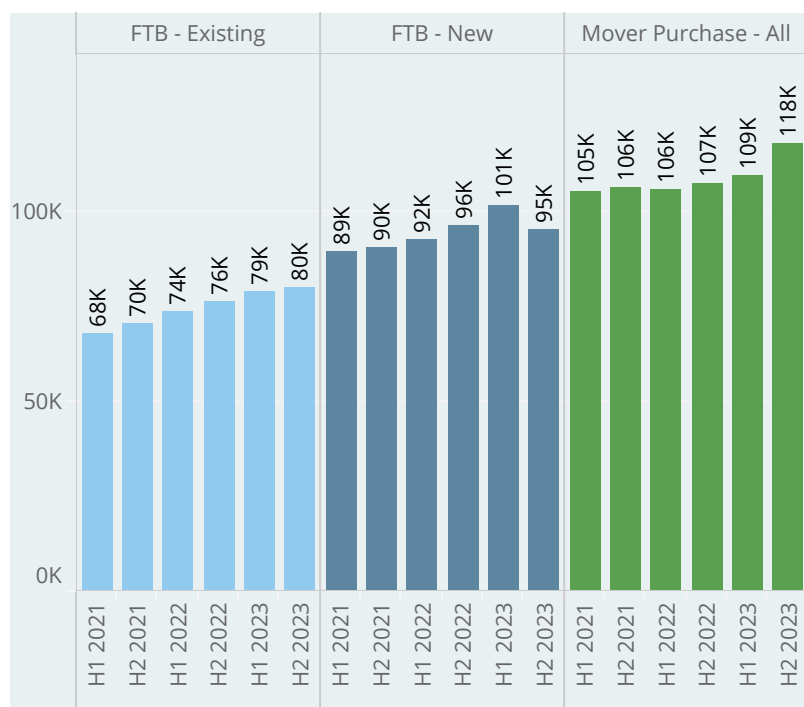




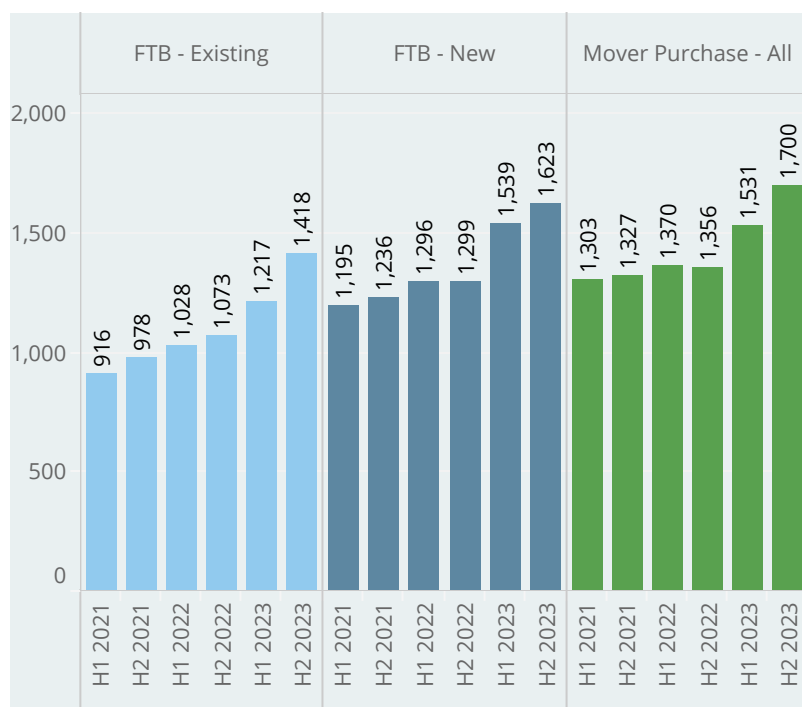
Mortgage Market Profile Report

Kildare

Median Basic Household Income



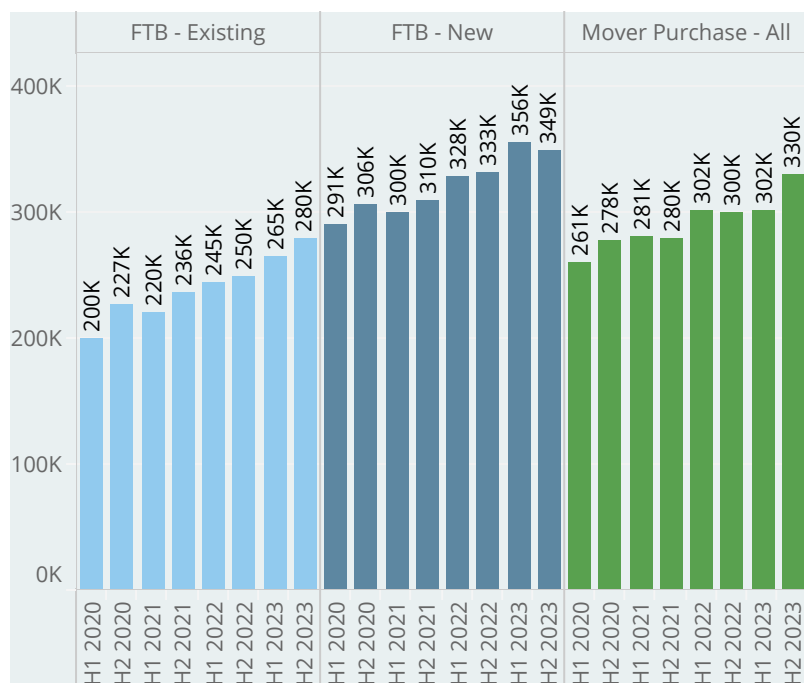
Median Monthly Repayment



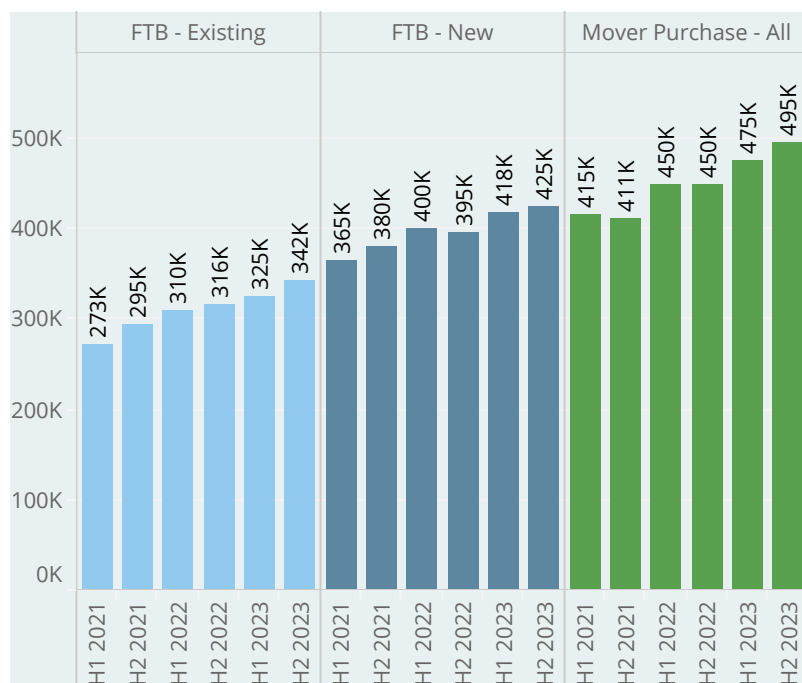
Note: Excluding self-builds

FTB - Existing FTB - New Mover Purchase - All

Median Loan



Median Property Value





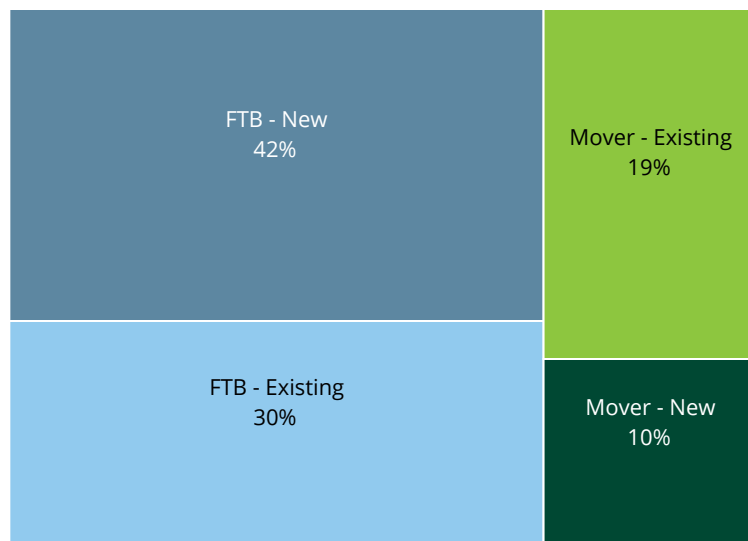
Mortgage Market Profile Report

Wicklow



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

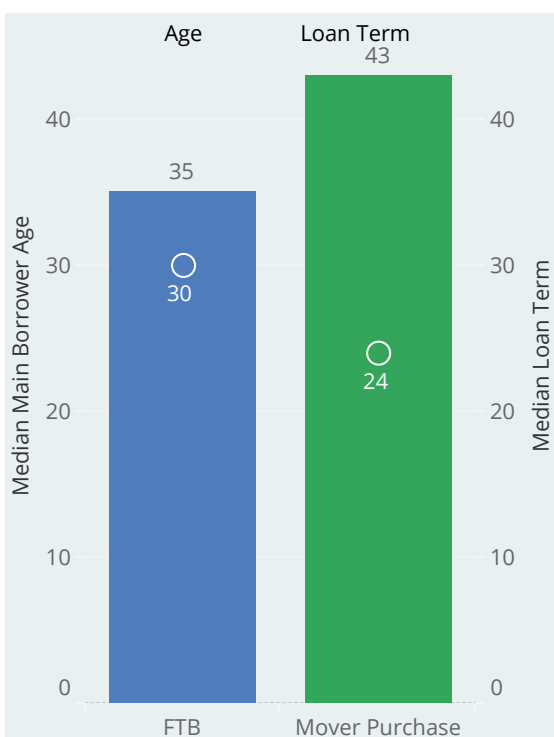


Note: All charts on this page refer to H2 2023.

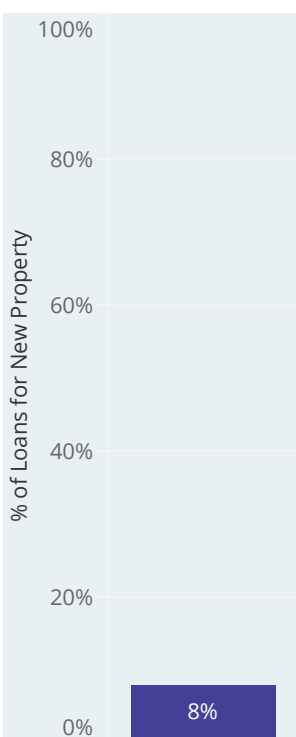
Some 42% of mortgages in Wicklow were for FTBs buying or building new properties, 12 percentage points higher than the share of FTBs buying existing property. Wicklow had an 8% market share of FTB mortgages on new property in H2 2023.

The property value of those with a mortgage to move property increased by 7% year-on-year to €560,000 making it the second highest median property value of all regions and customer types in H2 2023 (after movers in Dublin, which had a median property value of €600,000).

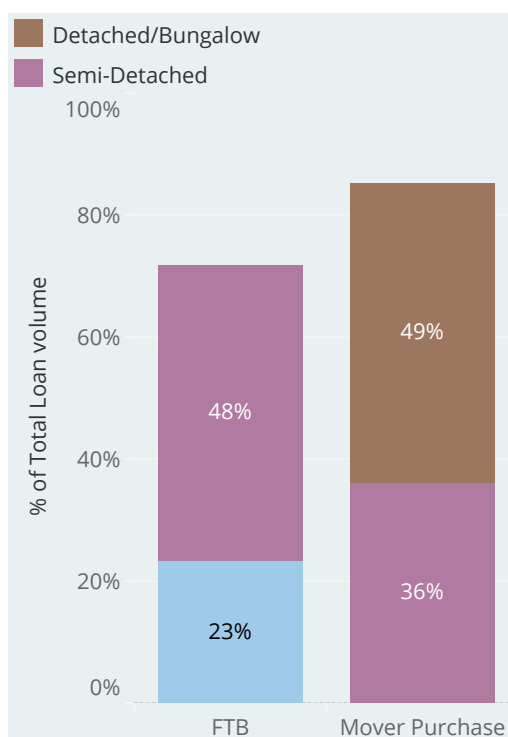
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

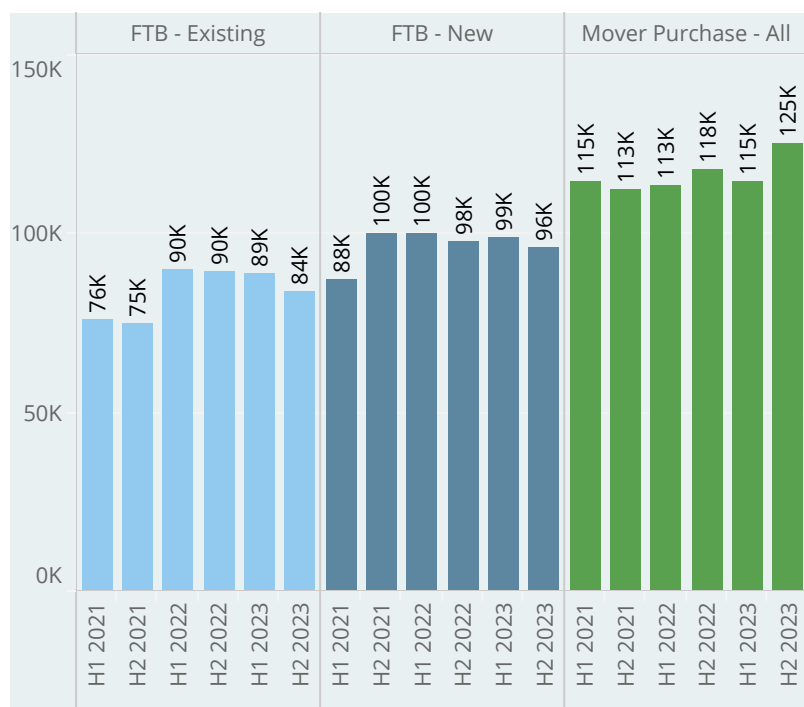




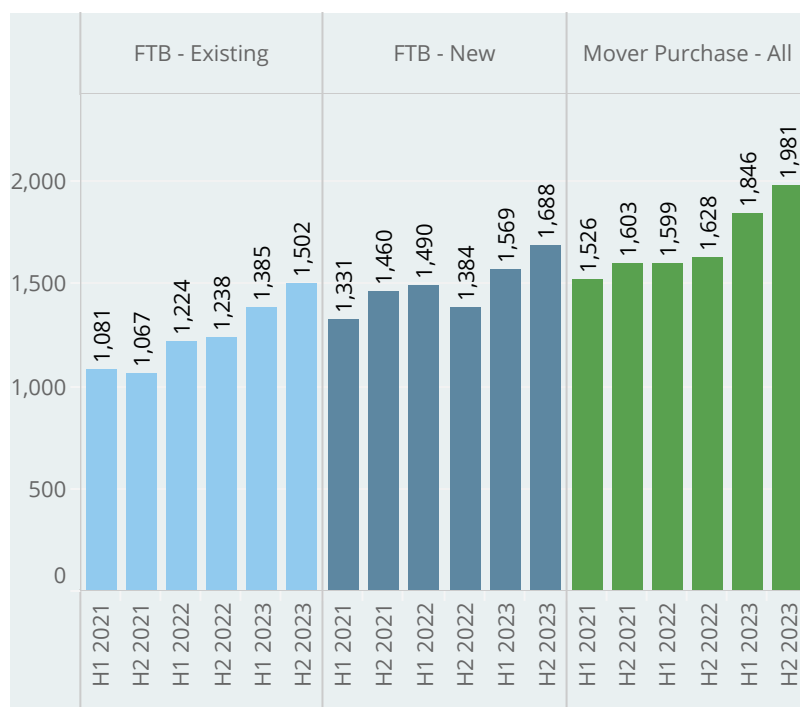
Mortgage Market Profile Report

Wicklow

Median Basic Household Income



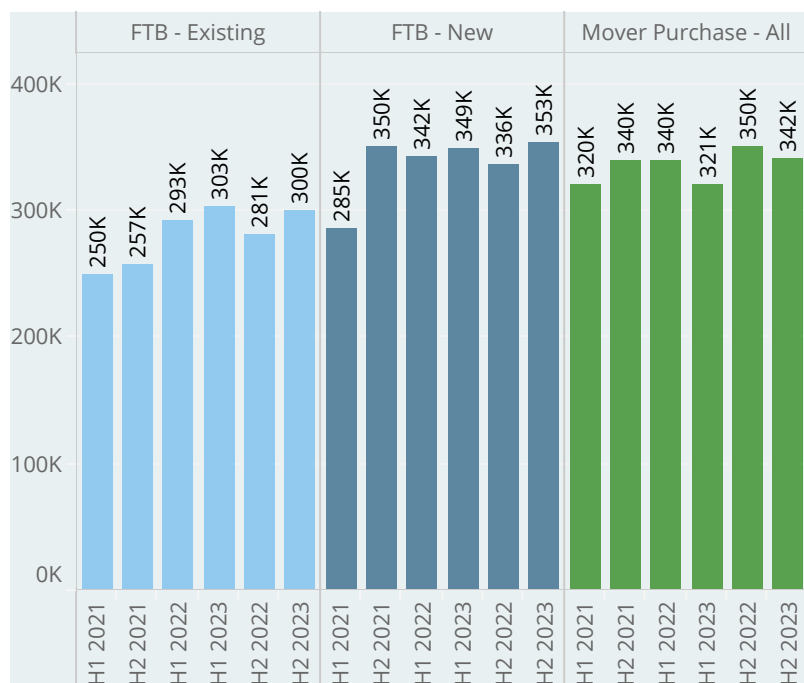
Median Monthly Repayment



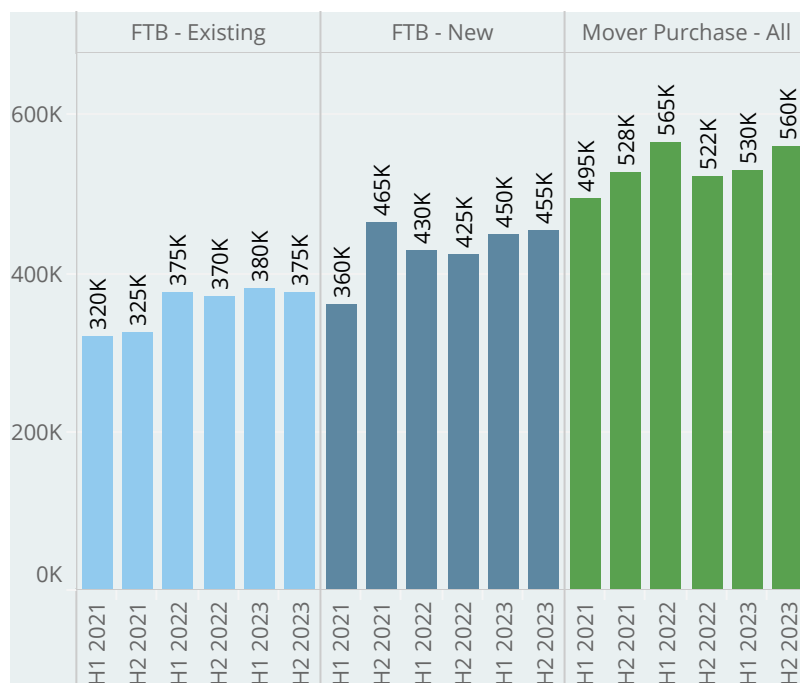
Note: Excluding self-builds

FTB - Existing FTB - New Mover Purchase - All

Median Loan



Median Property Value





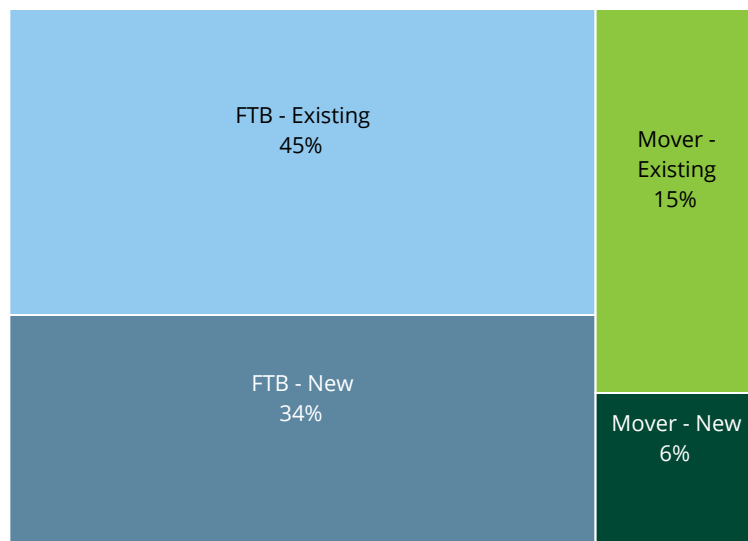
Mortgage Market Profile Report

Border



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

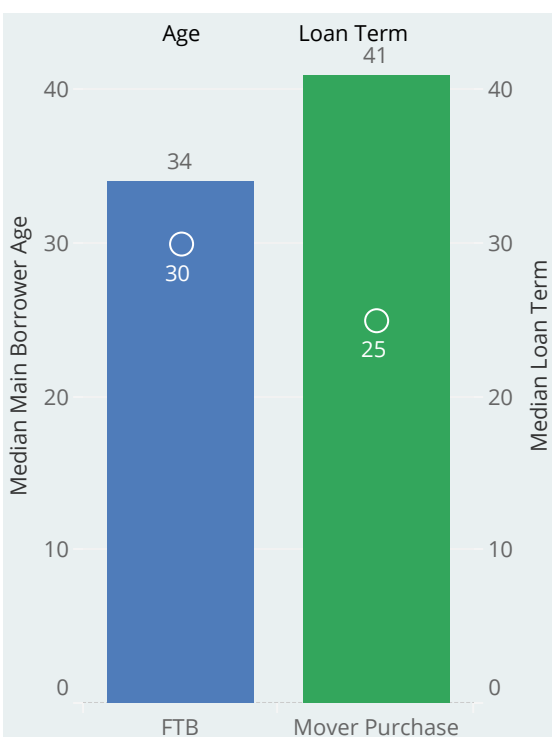


Note: All charts on this page refer to H2 2023.

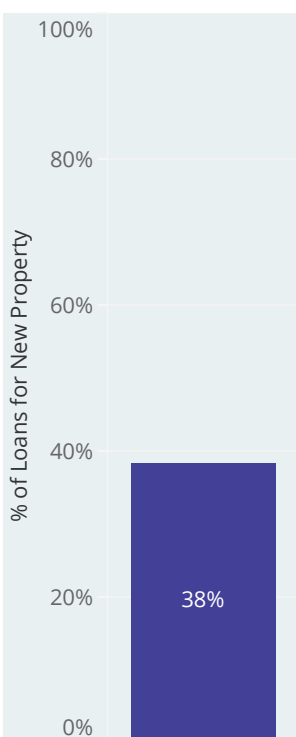
The median income of FTBs in the border region with a mortgage to purchase or build a new property increased by 12% year on year to €82,000, the second highest rate of income growth in all regions.

The share of FTB mortgages for new properties including self-builds rose to 34% while the share of FTB mortgages for existing properties fell to 45% year-on-year. Detached properties accounted for a significant share of mortgages properties in the region at 41% of FTB mortgages and 69% of mover purchase mortgages.

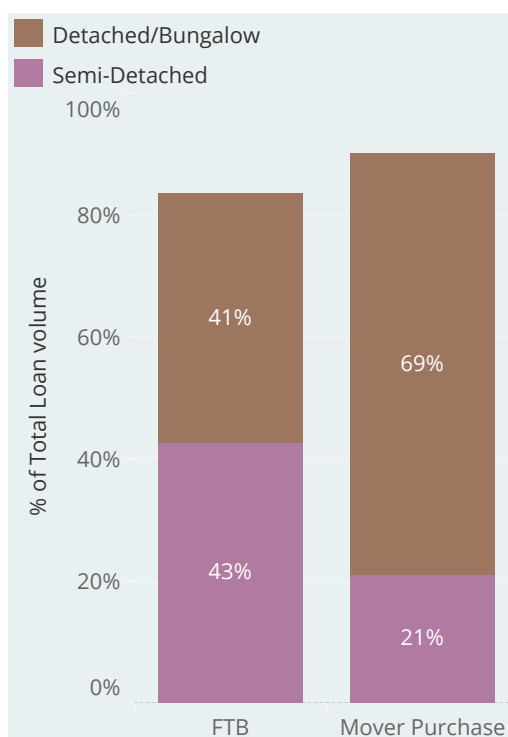
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

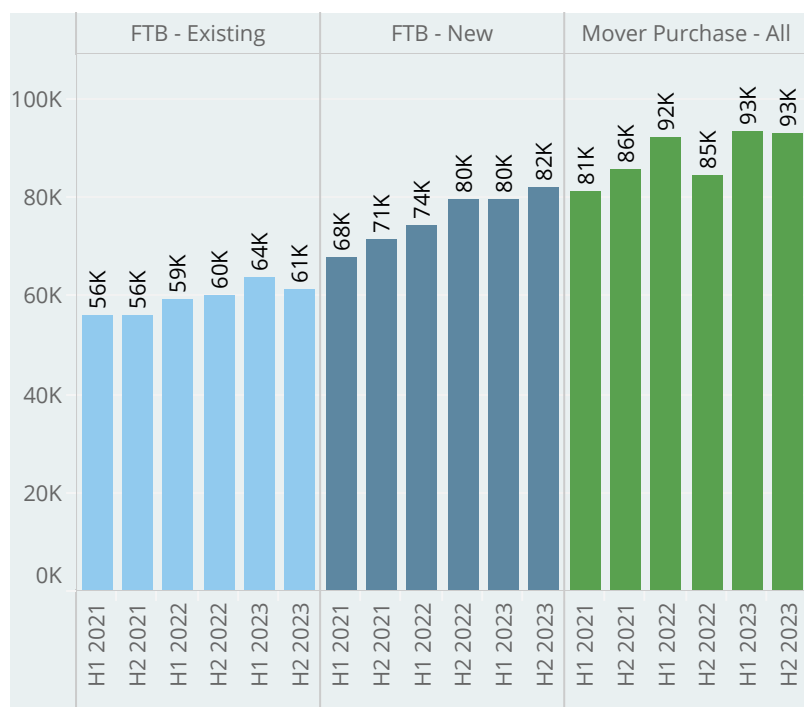




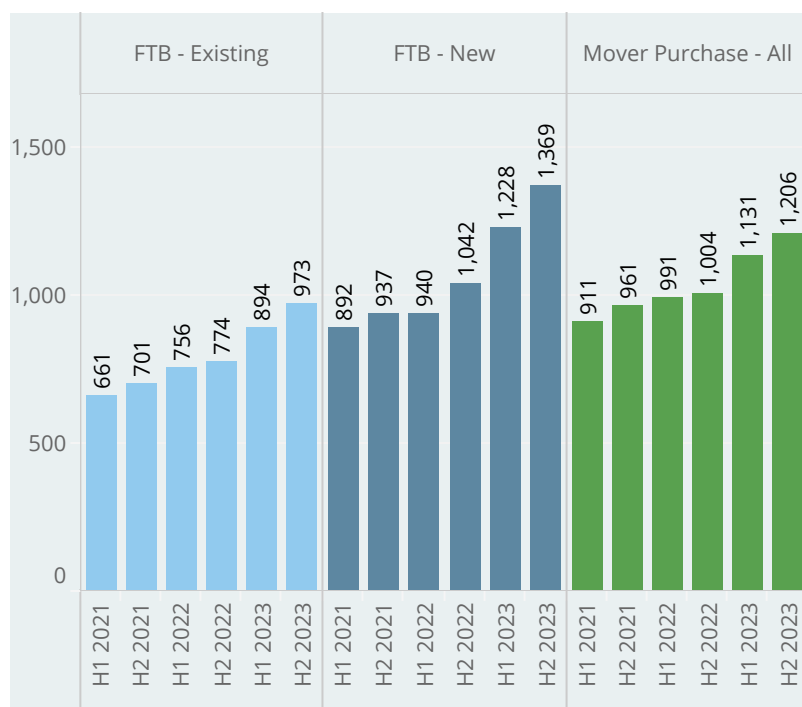
Mortgage Market Profile Report

Border

Median Basic Household Income



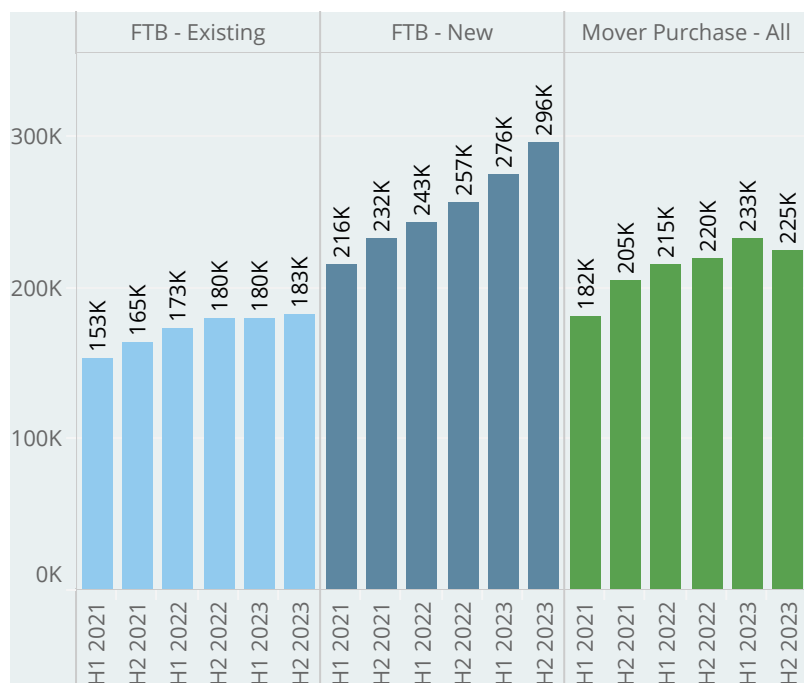
Median Monthly Repayment



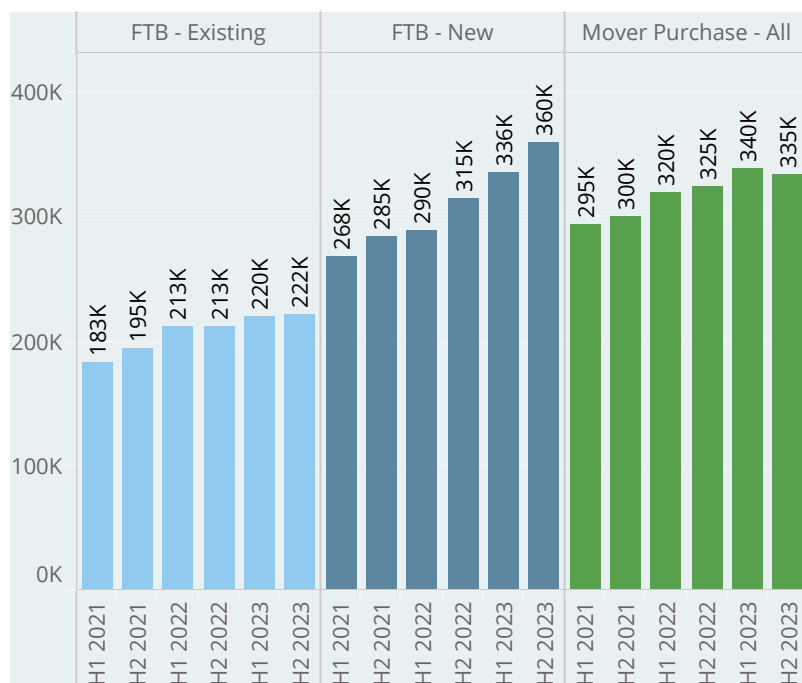
Note: Excluding self-builds

FTB - Existing FTB - New Mover Purchase - All

Median Loan



Median Property Value





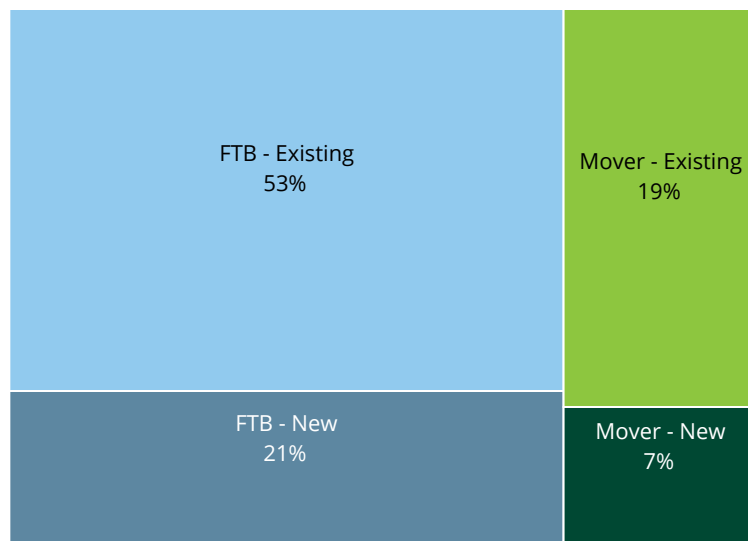
Mortgage Market Profile Report

West



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

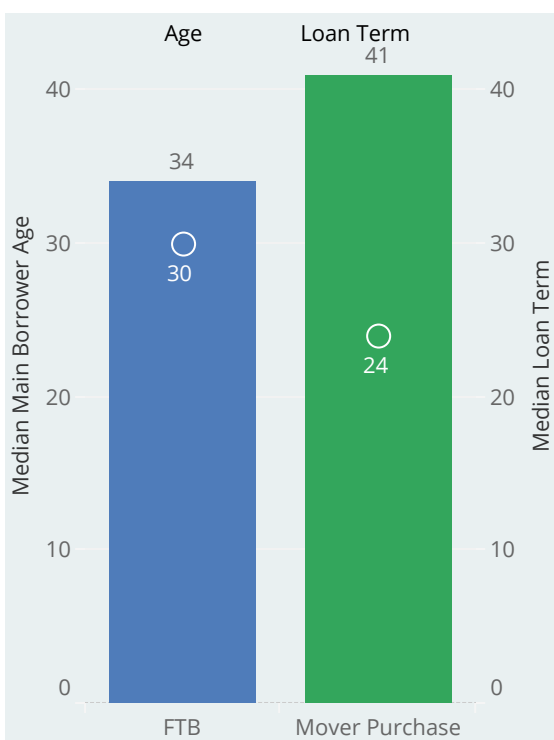


Note: All charts on this page refer to H2 2023.

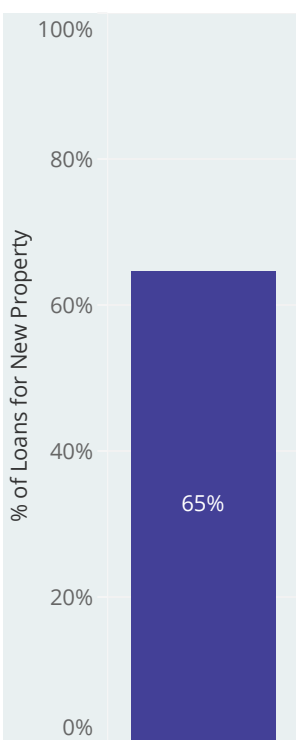
The median income on FTB mortgages for existing property was €63,000, the second lowest income of all regions while the median income on FTB mortgages for new property including self-builds was 34% higher at €84,000 in H2 2023.

FTB mortgages on existing property had the lowest median loan value of all regions and all customer segments at €180,000 while the median loan value for FTBs buying or building new property was €276,000.

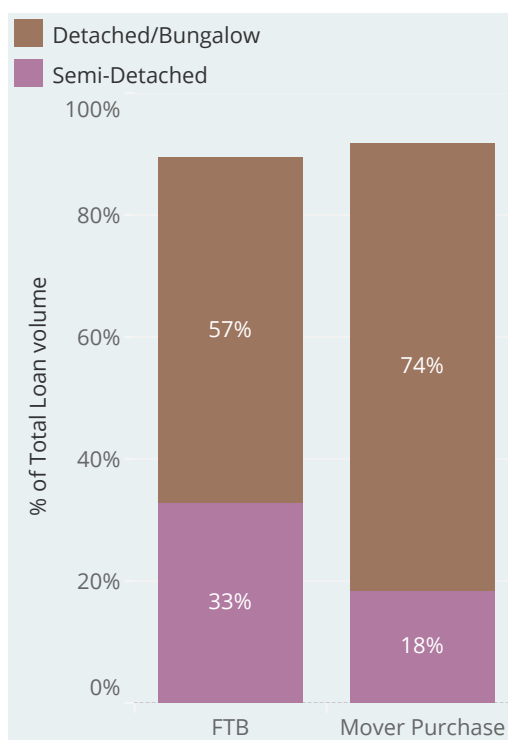
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

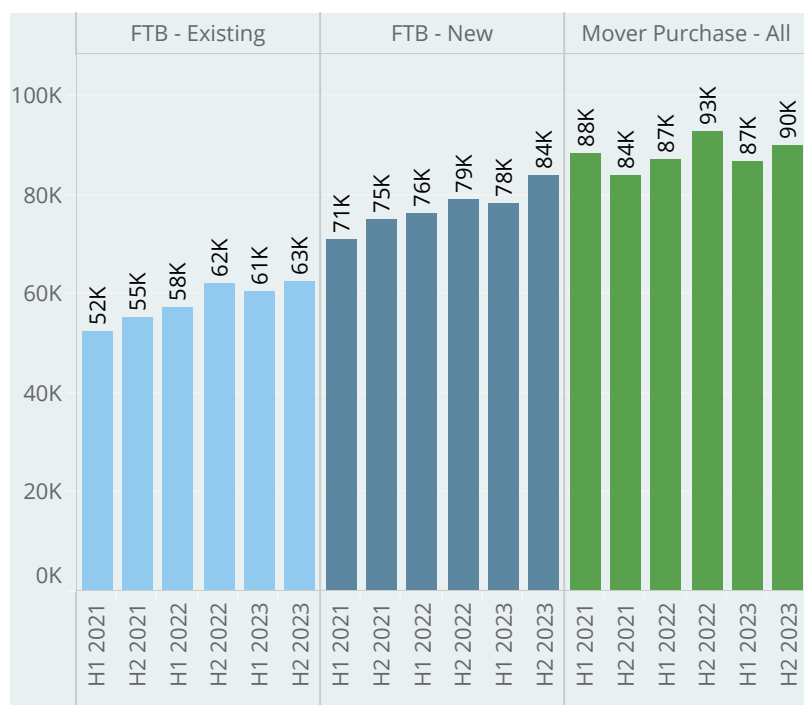




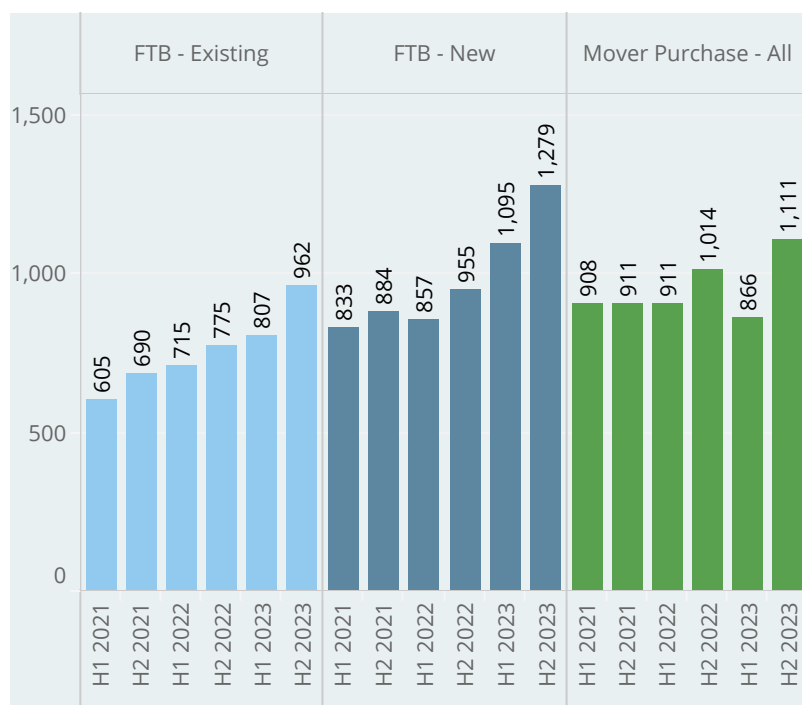
Mortgage Market Profile Report

West

Median Basic Household Income



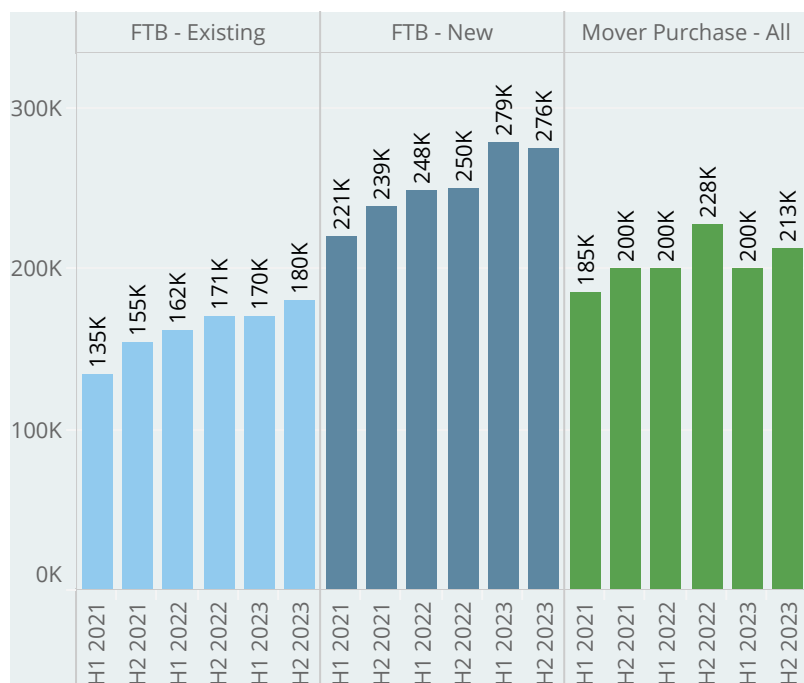
Median Monthly Repayment



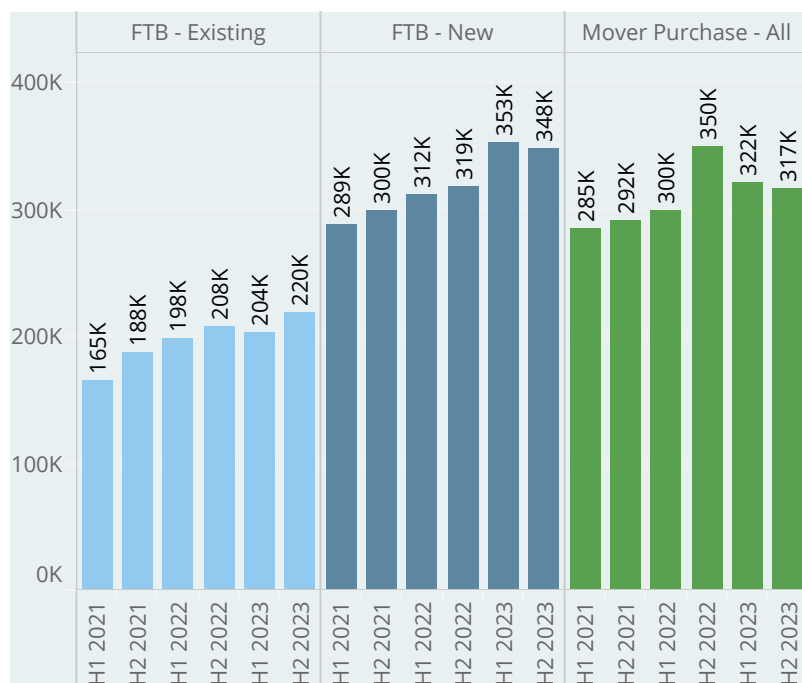
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



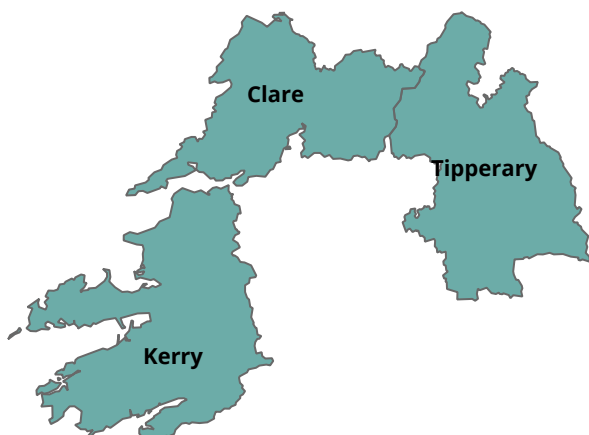
Median Property Value





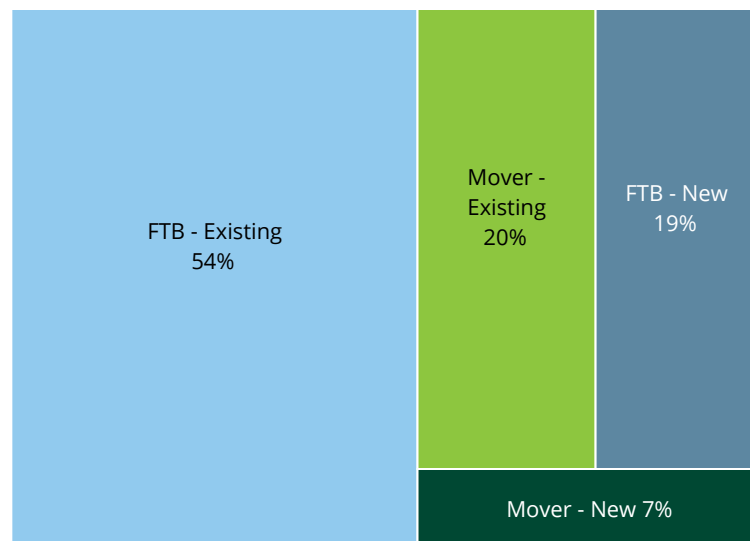
Mortgage Market Profile Report

South and Mid West



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

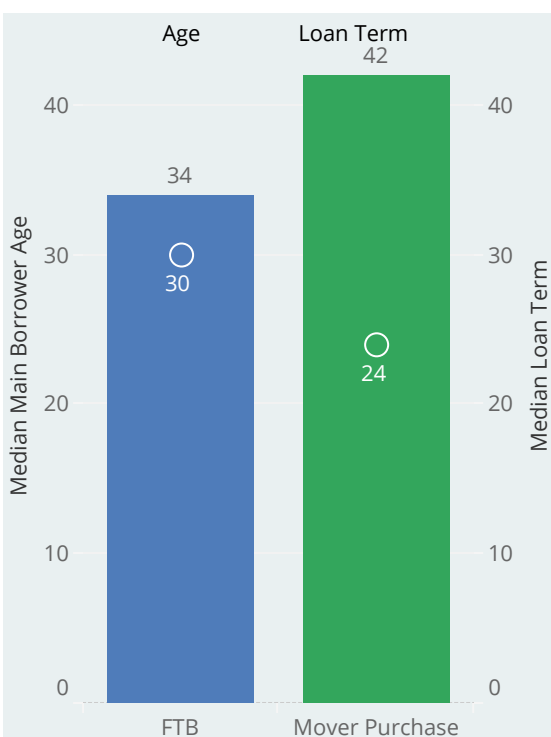


Note: All charts on this page refer to H2 2023.

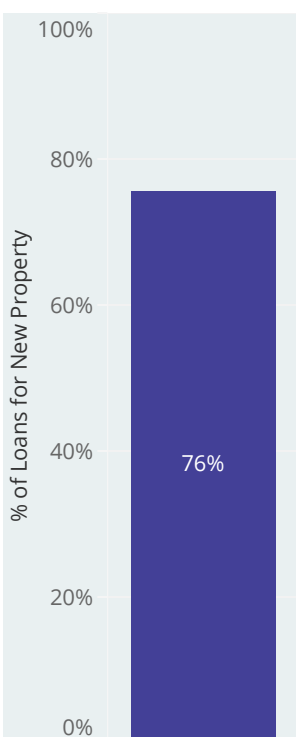
Only 19% of mortgages in the region were for FTBs buying or building new property while 54% were for FTBs buying existing property. Some 78% mover purchaser mortgages were for detached houses/bungalows, the highest proportion of all regions for mover purchasers in H2 2023.

The median loan value increased by at least €19,000 in all customer segments between H2 2022 and H2 2023.

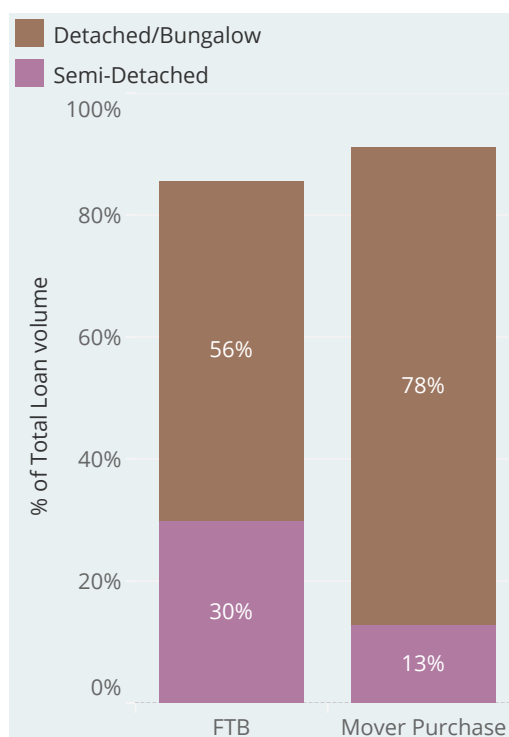
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

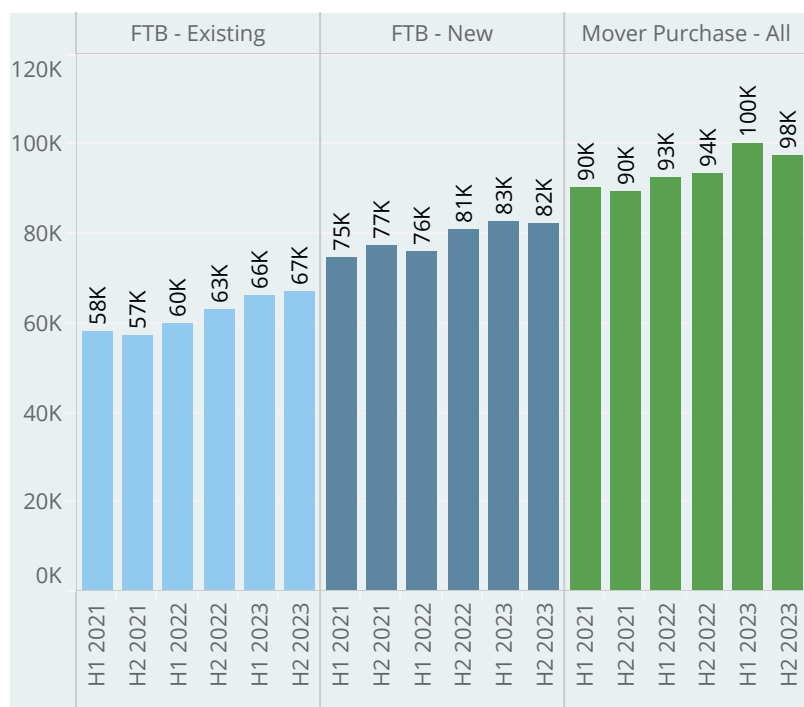




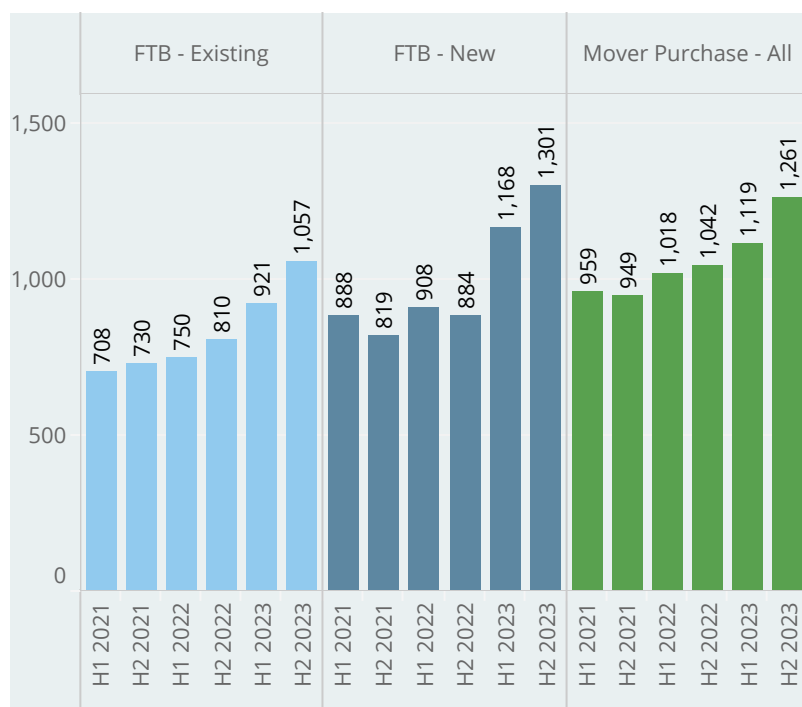
Mortgage Market Profile Report

South and Mid West

Median Basic Household Income



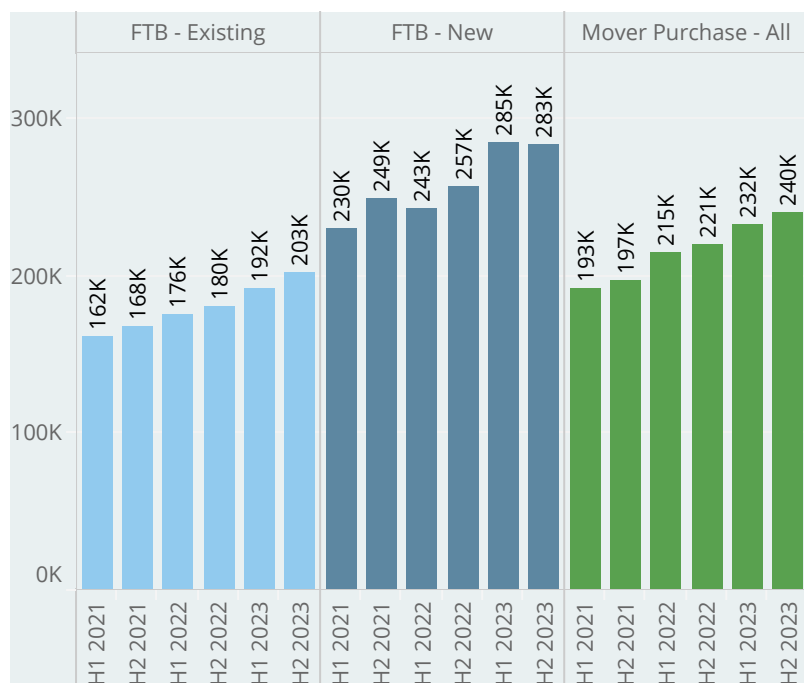
Median Monthly Repayment



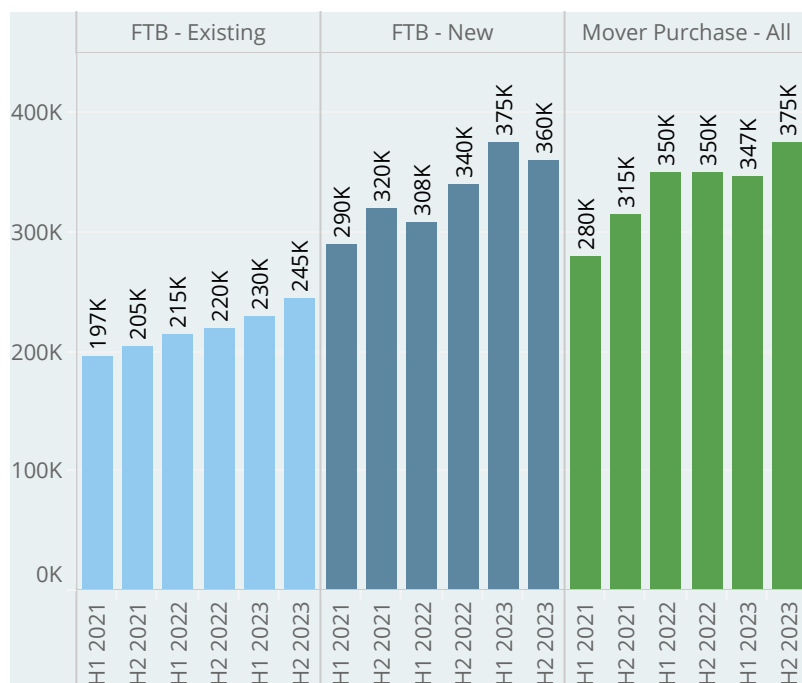
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



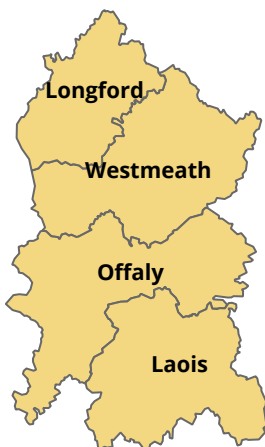
Median Property Value





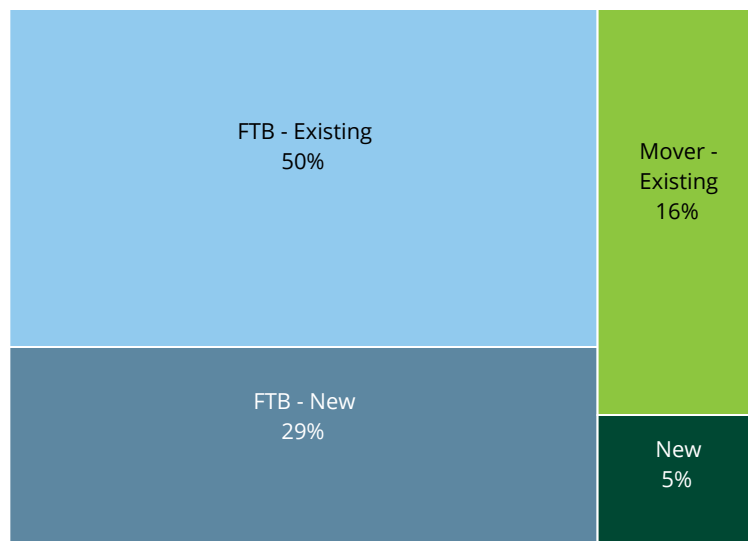
Mortgage Market Profile Report

Midlands



© Mapbox © OSM

Customer Type-Property Status Share

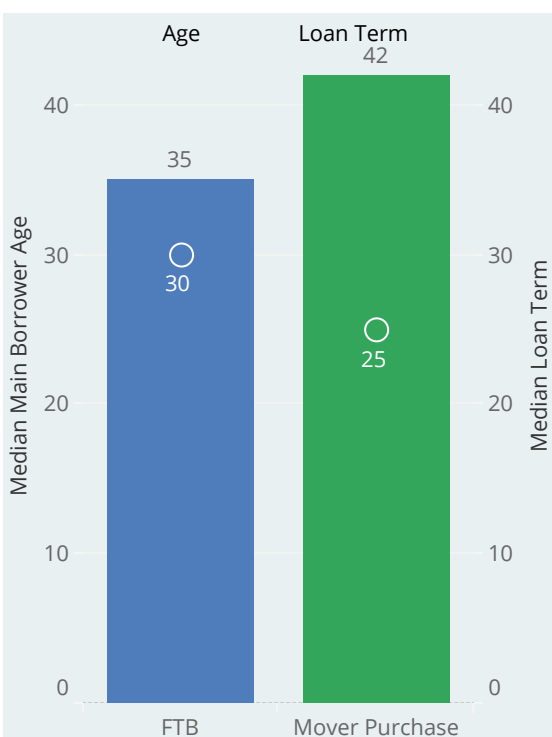


Note: All charts on this page refer to H2 2023.

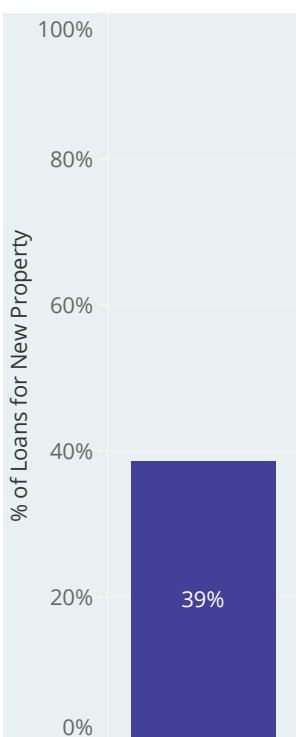
The Midlands region had the second largest gap in median income between FTBs with a mortgage for new property and FTBs with a mortgage for existing property, at €87,000 and €65,000 respectively. The median income of mover purchaser mortgages was €95,000 in the Midlands in H2 2023.

Semi-detached homes were most common for FTB mortgages at 46% while detached homes/bungalows were most common those with a mover purchase mortgage at 68%.

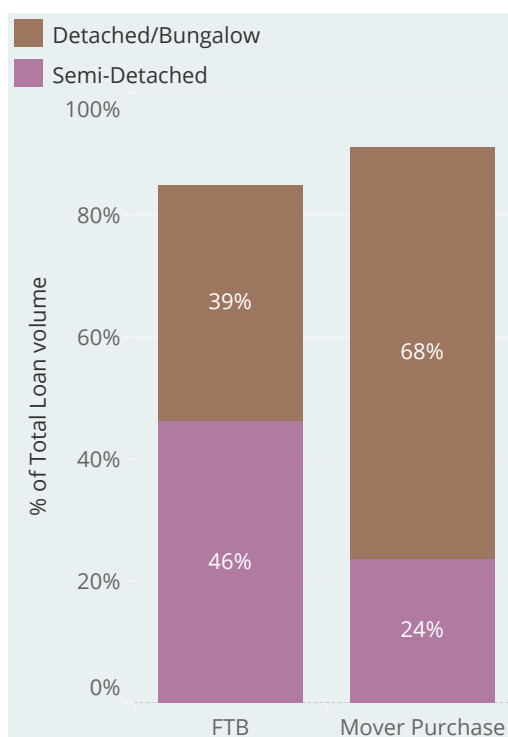
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

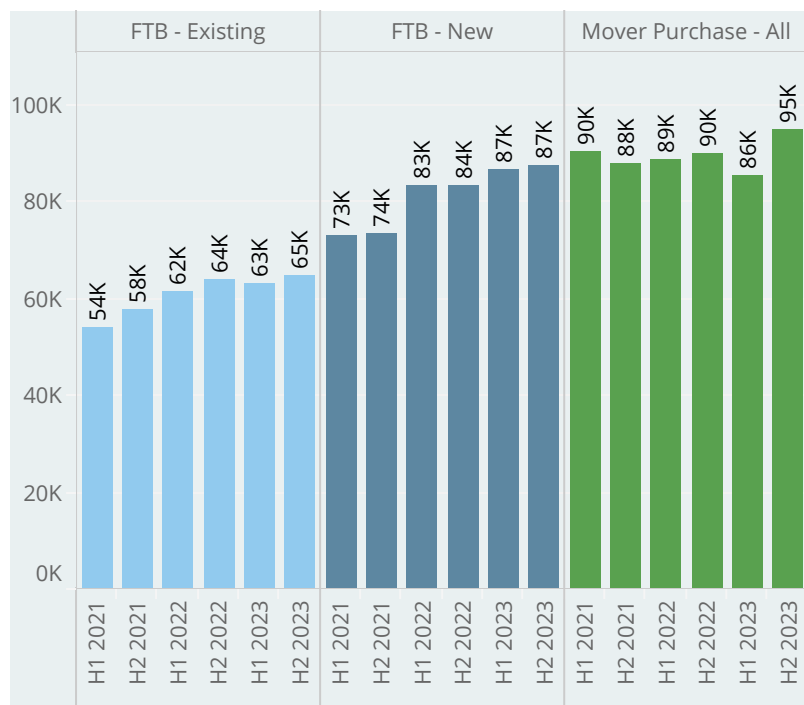




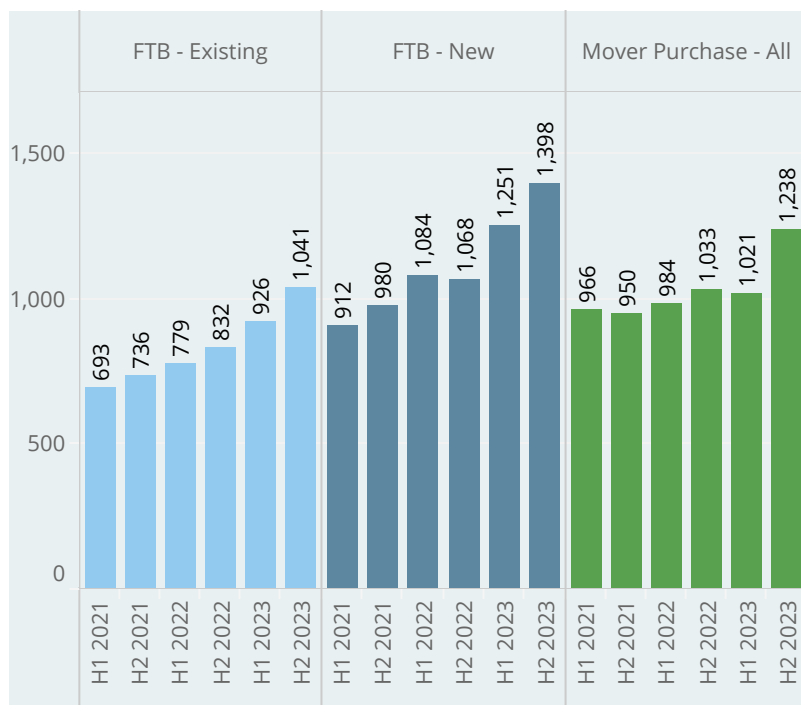
Mortgage Market Profile Report

Midlands

Median Basic Household Income



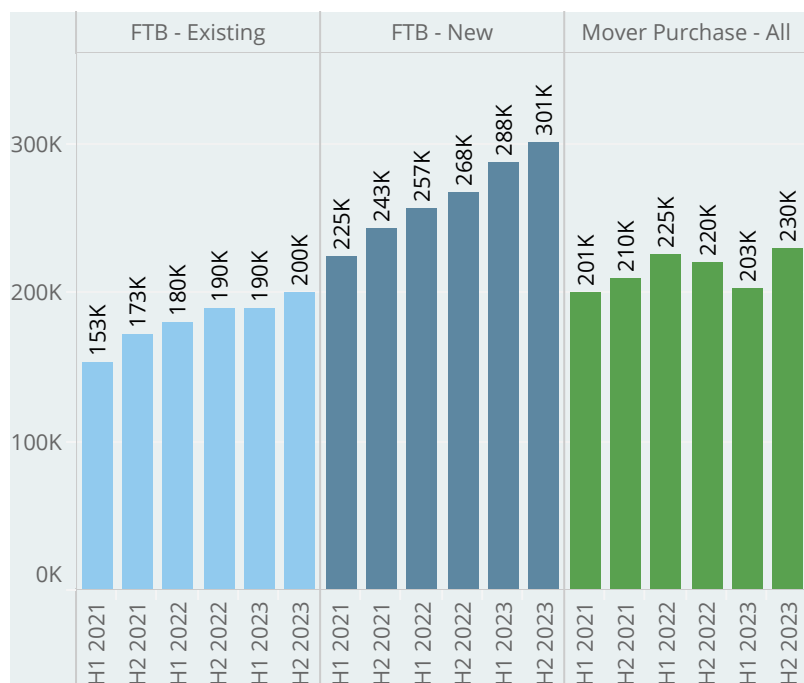
Median Monthly Repayment



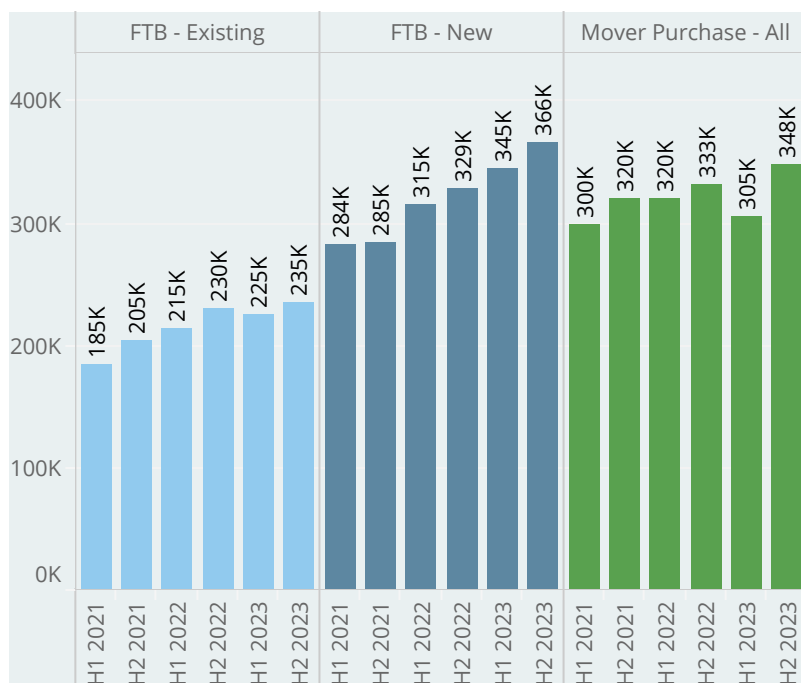
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



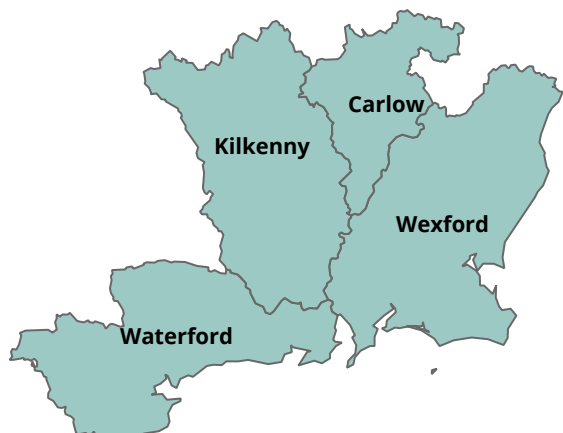
Median Property Value





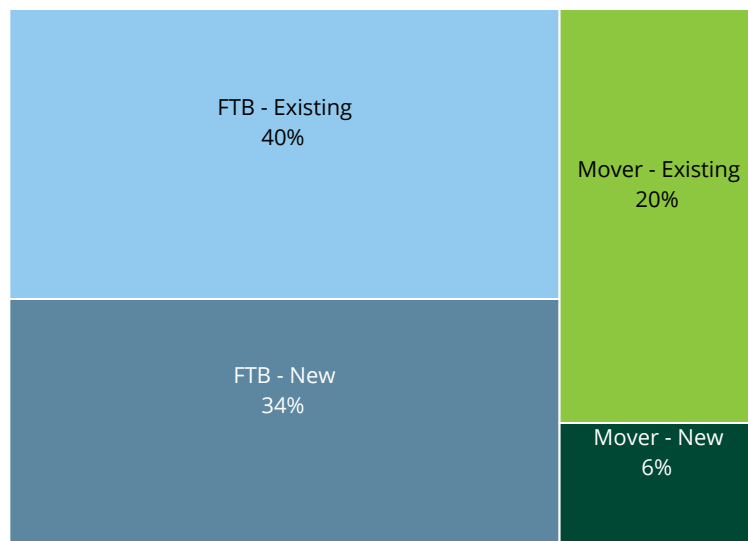
Mortgage Market Profile Report

South East



© 2024 Mapbox © OpenStreetMap

Customer Type-Property Status Share

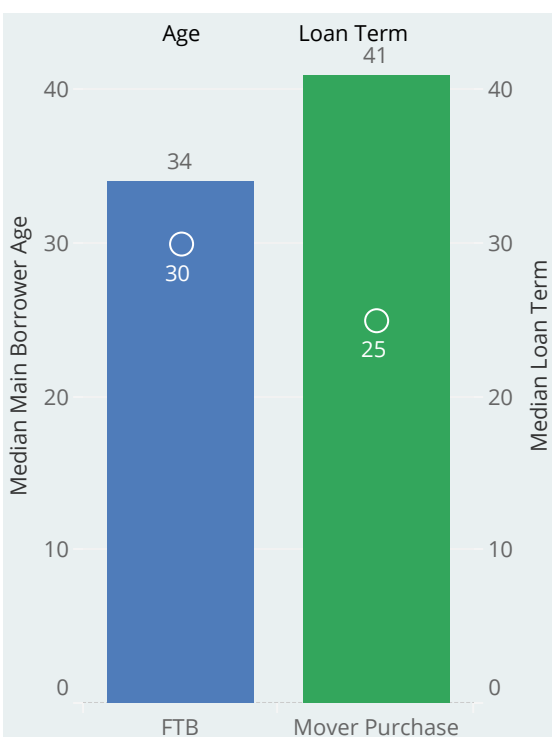


Note: All charts on this page refer to H2 2023.

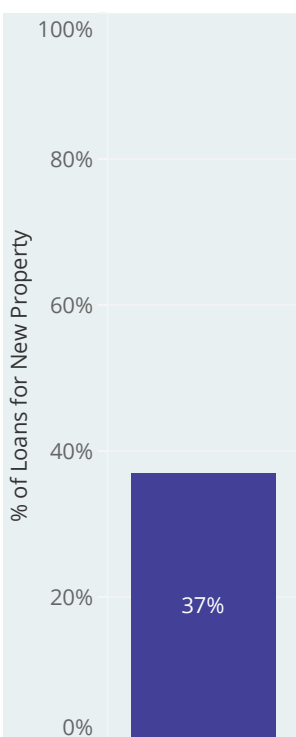
FTB mortgages on new property accounted for 34% of all mortgages in the South East region in H2 2023.

The median income on FTB mortgages for new property was €78,000, the lowest of all regions, while those buying existing property had a median income of €66,000. Mover purchaser mortgages had a median income of €93,000.

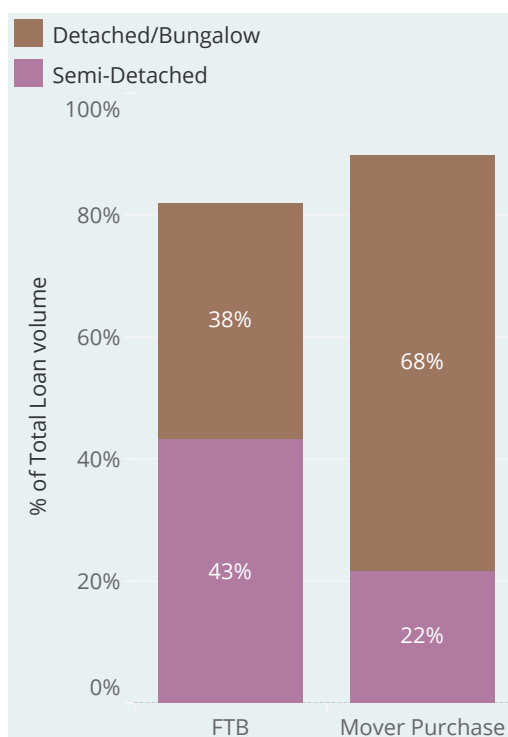
Borrower Age/Loan Term



Self-build % - New



Main Dwelling Types

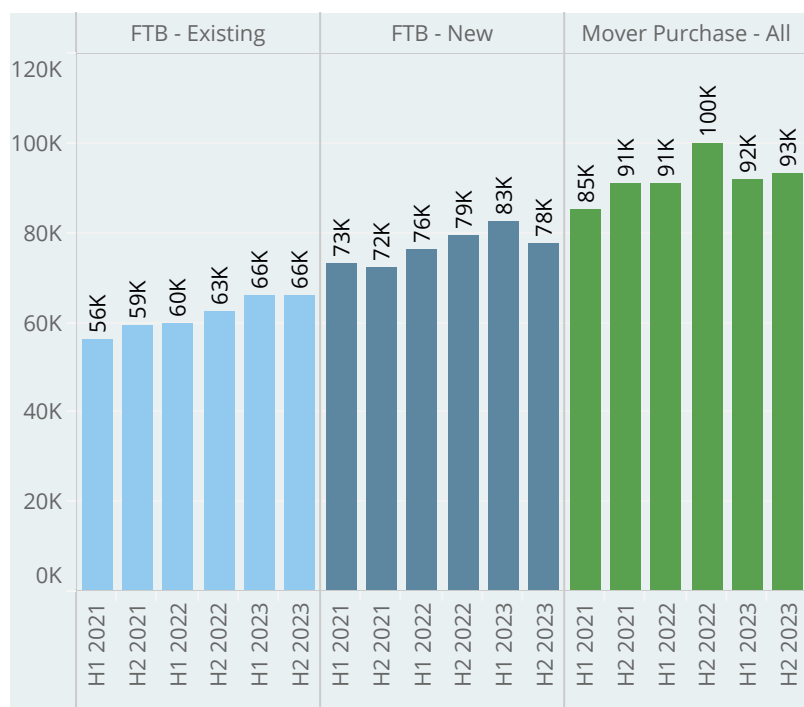




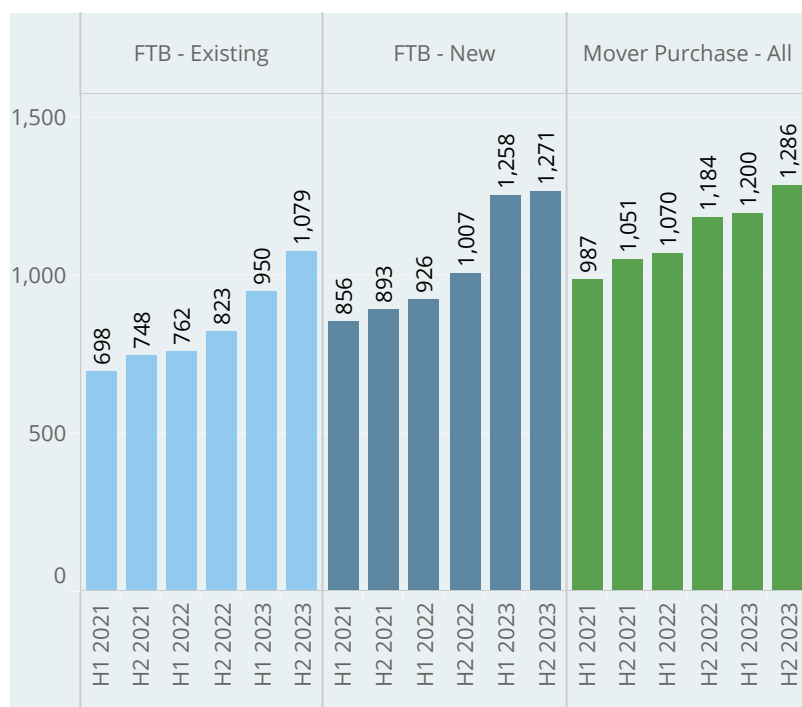
Mortgage Market Profile Report

South East

Median Basic Household Income



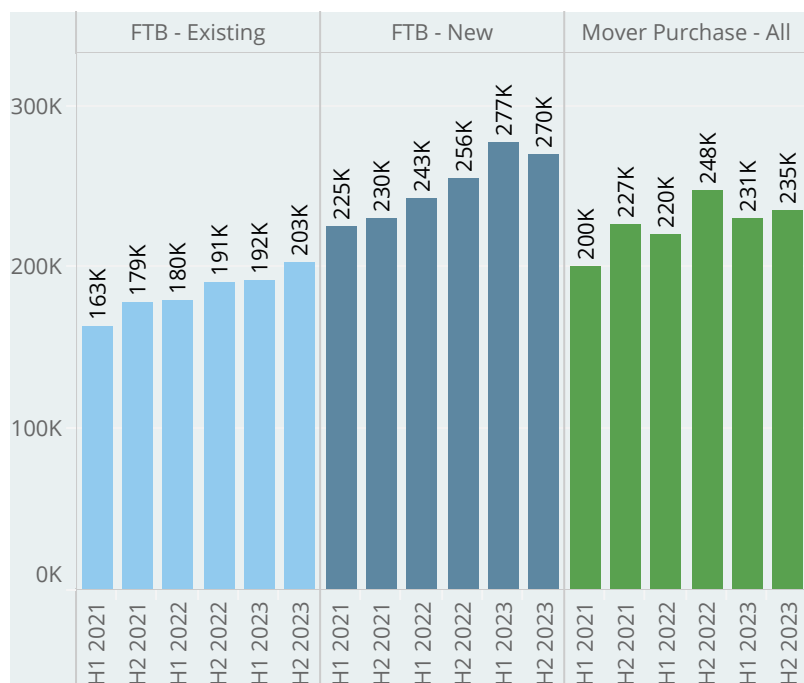
Median Monthly Repayment



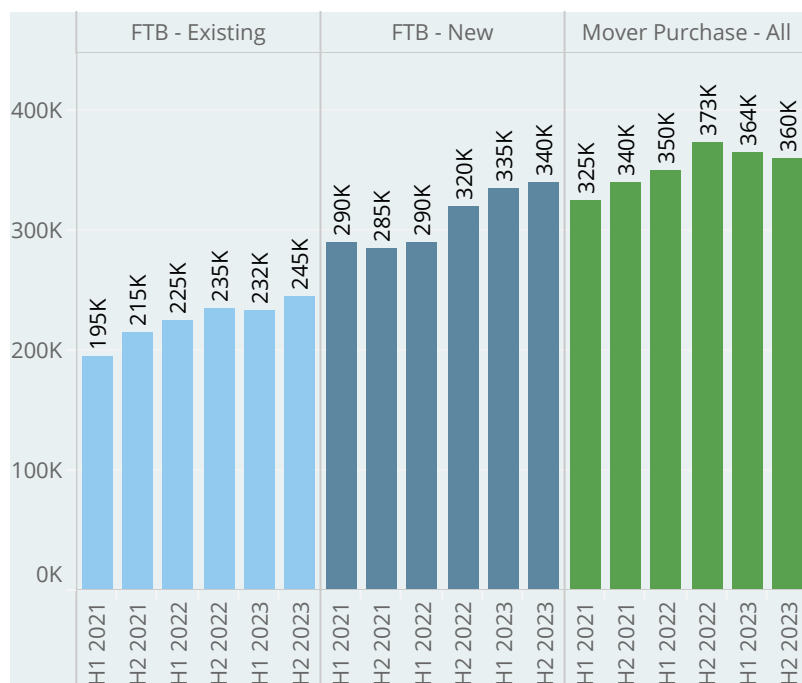
Note: Excluding self-builds

■ FTB - Existing ■ FTB - New ■ Mover Purchase - All

Median Loan



Median Property Value





Mortgage Market Profile Report

About the Data

BPFI's mortgage drawdown data shows the highs and lows in the market since 2003. In this report, we drill down into the data and ask who, what and where:

- who is taking out home loans?
- what types of loans are they taking out and what types of properties are they building or buying?
- where are the properties being financed and how do borrowers, loans and properties differ around the country?

All data in this report is produced by BPFI unless otherwise stated.

BPFI collects anonymised loan-level data from participating members to enhance our understanding of the mortgage market and to better understand the nature of loans, borrowers and properties financed. BPFI ensures that no individual borrower or property can be identified.

This data complements and aligns with the monthly mortgage approvals and quarterly mortgage drawdowns data published by BPFI. However, this data draws on different data sources so full alignment cannot be guaranteed due to timing and other differences.

The data in this report covers mortgage drawdowns where the customer type has been identified as home buyer or builder and the mortgage financing the property purchase or build is secured on that property.

Customer Type & Property Status

First-time buyers (FTB) purchase - a loan issued for the purchase of residential property which is to be owner-occupied, where none of the borrowers have ever been an owner occupier (or part owner occupier) of a residential property in Ireland or elsewhere, or have previously had a housing loan.

Mover purchase - a loan issued for the purchase of residential property which is to be owner-occupied, where at least one of the borrowers has been an owner occupier (or part owner occupier) of a residential property in Ireland or elsewhere, or has previously had a housing loan.

Re-mortgage/switching - A mortgage loan which is issued by one lender to refinance an existing mortgage with another lender.

New property - a newly built property that has not previously been inhabited, including self-builds.

Existing property - a property that has previously been inhabited.

Participating members

Eight member groups currently provide data:

- AIB Group (AIB, EBS, Haven Mortgages);
- Avant Money;
- Bank of Ireland;
- Dilosk/ICS Mortgages;
- Finance Ireland;
- permanent tsb;
- KBC Bank Ireland (up to H1 2022);
- Ulster Bank (up to H2 2021)



Mortgage Market Profile Report

About the Data

Standard Data Definitions

Main borrower age - the age at drawdown of the borrower or main borrower where there is more than one borrower. The main borrower is identified through a combination of borrower income and the order in which the borrower is reported.

Loan term - the length of time in years over which the mortgage has to be repaid.

Self-build proportion - the share of loans secured on new-build homes where the loans are provided for the purpose of financing the building of a new home by the borrower rather than the purchase of a newly built home from a developer/contractor.

Main dwelling types - the type of property on which the mortgage is secured. These may be apartments, terraced houses, semi-detached houses or detached houses/bungalows.

Basic household income - the sum of gross basic annual income (income from the borrower's main occupation before income-related taxes, charges or benefits) for all borrowers. This excludes rental income as well as additional income from the borrower's occupation such as bonuses.

Monthly repayment - the monthly repayment amount (including principal, interest and fees, where applicable) at drawdown and based on the value of drawn balances. Repayments may subsequently increase if further undrawn balances are drawn down. Self-builds are excluded from this calculation. This data is only available from H1 2020.

Loan Value - the total value of the loan at drawdown whether or not the loan is drawn down in full at that time.

Property Value - the valuation of the property on which the mortgage is secured. For data before 2020, the property purchase price is used.

About BPFi

Banking & Payments Federation Ireland (BPFi) is the voice of banking and payments in Ireland. Representing over 100 domestic and international member institutions, we mobilise the sector's collective resources and insights to deliver value and benefit to members, enabling them to build competitive sustainable businesses which support customers, the economy and society.

Disclaimer

This report is based on statistical information supplied to BPFi by the mortgage lending institutions listed herein. While every effort has been made to ensure the accuracy of information included in this report, BPFi can accept no responsibility for errors contained herein. This report is not to be reproduced in whole or in part without prior permission. Figures may not sum due to rounding.

For queries, contact Anthony O'Brien, Head of Sector Research & Analysis, BPFi at anthony.obrien@bpfi.ie.



Banking & Payments Federation Ireland,
Floor 3, One Molesworth Street, Dublin 2, D02 RF29, Ireland.
Phone: +353 1 671 53 11 Email: info@bpfi.ie Website: www.bpfi.ie

Dublin • Brussels • Frankfurt