

Year	Projected Households (SPGGDA)	Projected Additional Units (CDP 2004)	Actual Additional Units Built	Actual Households (census)
2003	67,480	2,350	1,871	64,132
2004	69,830	2,350	1,777	
2005	72,180	2,350	1,867	
2006	74,530	2,350	2,472	68,412
2007	76,880	2,350	3,052	

Table 5. Projected household growth versus the reality

2.4 Projected Household Growth

The Dublin Regional Authority published an Update on the Regional Planning Guidelines for the Greater Dublin Area 2004-2016 in April 2007 (Table 6). The update included revised household allocations for the GDA Local Authorities. The Regional Authority makes its population forecasts in the form of estimated household growth.

For Dún Laoghaire-Rathdown, the revised allocations mean that the County should target household growth of circa **35,000** additional households (from the existing household complement in the County of circa **68,000**), during the period 2004-2016. Clearly this rate of growth (approximately 50%) is extremely ambitious. An additional 35,000 households translates into a population increase of circa **87,500** persons (with an average household size of 2.5).

It should be noted that the Regional Planning Authority's Update is based on data collated in Autumn of 2006, during a time of record housing completion levels, record levels of immigration and strong house price growth – the household allocation targets are, of course, dependent on the capacity of the housing market to deliver. The dramatic downward projections for housing completions for the next twelve months create quite a degree of uncertainty as to the robustness of the Regional Planning Guidelines Update in the short to medium term.

In December 2008, the CSO provided 'Regional Population Projections', which set out a number of possible demographic scenarios up to the year 2020. Having regard to the recent sharp decline in immigration and changes in the patterns of internal migration within regions in Ireland, one scenario posited possible population *decline* in Dublin over this period. While it remains to be seen which population projection scenario the Regional Planning Authority adopt in the forthcoming review of the "Regional Planning Guidelines for the GDA", it is clear that recent changes in migration trends particularly, make the task of population forecasting very difficult at this point.

Local Authority	New Household Allocation 2011	New Household Allocation 2016
Dublin City	43,277	75,419
Dún Laoghaire/Rathdown	20,012	34,875
Fingal	48,773	84,997
South Dublin	26,659	46,459
<i>Dublin Total</i>	<i>138,721</i>	<i>241,750</i>
Kildare	25,199	39,456
Meath	22,652	35,468
Wicklow	18,094	28,331
<i>Mid-East Total</i>	<i>65,945</i>	<i>103,255</i>
GDA Total	204,666	345,005

Table 6: Agreed Revised Housing Allocation for the Greater Dublin Area. Source: RPG

2.5 Implications for the Housing Strategy

The demographic trends in the County have implications for the Housing Strategy. Clearly there is a requirement to ensure the provision of additional housing to meet the forecast demand but the peculiarities of the demographic profile of Dún Laoghaire-Rathdown require a more specific policy response.

The older population in the County, relative to the rest of the GDA, requires a policy that can ensure that mobility within the housing market is encouraged as far as possible. The continuation of the recent trend toward smaller household sizes has resulted in a demand/need for a broad range of house types.

During the mid-nineties, around 30% of new build housing was in the form of apartments – in 2007, this figure was 74%. The fact that much of the first time buyer market is being catered for through apartment development means that the emphasis on high quality apartment standards, suitable for families with children, is crucial.

3 Housing Supply

3.1 Housing Supply Trends

This section examines trends in the supply of housing in Dún Laoghaire Rathdown in recent years. The number of units built in the County since the adoption of the Regional Planning Guidelines for the Greater Dublin Area 2004-2016 is **9,168**.

Historic Housing Completions (Based on ESB/DoEHLG Figures)

Year	2002	2003	2004	2005	2006	2007
Units	785	1,871	1,777	1,867	2,472	3,052

Table 7. Housing Completions (Based on ESB/DoEHLG Figures)

The Regional Planning Guidelines household forecast runs from 2004 up to 2016. Therefore, some of the additional household growth forecast for the County has been constructed already. In order to calculate how many additional households are allocated to Dún Laoghaire-Rathdown for the period of the Development Plan up to 2016, it is necessary to take the full Regional Planning Guidelines allocation (34,875) and subtract the number of units already built since 2004 (9,168) - this gives a figure of **25,707**.

The Development Plan Guidelines (2007) Section 4.14 states that

“Development plans will provide for sufficient zoned land to meet not just the expected demand arising within the development plan period of six years, but will also provide for the equivalent of 3 years demand beyond the date on which the current plan ceases to have effect.”

Therefore, an additional 3 years forecast demand must be added to the RPG total for the Development Plan 6 year period 2010-2016. The RPG household target from 2008 until 2016, (the end of the Development Plan period) is **25,707**. If 3 supplementary years demand is added (at **2,856** per annum) to this, the final figure is **34,275**.

YEAR	2008	2009	2010	2011	2012	2013	2014	2015	2016
TARGET	2,856	2,856	2,856	2,856	2,856	2,856	2,856	2,856	2,856

Table 8. RPG Housing targets per annum 2008-2016

The regional household targets suggest that between 2008 to 2016 (9 year period up to the end of the next County Plan phase) the annual requirement will be **2,856** units per annum. This compares with **2,260** units per annum set down in the current Housing Strategy.

From the present point, through the 6-year lifetime of Development Plan 2010-2016, plus an additional 3 years 'headroom' the household allocation should be in the region of **34,000** units ($2,856 \times 12$ years).

3.1.1.1 Recent Trends in Housing Supply

The household allocations set down in the Revised RPG's for the GDA remain in place until 2016. However, recent trends in the housing market across the GDA must be considered. An analysis of the commencement notices submitted to the GDA local authorities illustrates a significant decline throughout 2007. While the first two quarters for 2008 in Dún Laoghaire-Rathdown have 'bucked the trend', it appears that the decline is still apparent, arriving later here than elsewhere. This may be as a result of the large proportion of apartment developments in the County, whereby a developer has little option but to complete the scheme after excavating extensive basement areas, erecting lift cores etc. Trends with regard to the number of planning applications submitted to Dún Laoghaire-Rathdown also point toward a very significant slowing of activity in the development/construction sector.

3.2 Housing Land Availability Study 2008

The Housing Land Availability Study (HLAS) is prepared annually by the Council for submission to the DOEHLG. It provides an estimate of the quantum of zoned residential land, both serviced and unserved, in sites in excess of 0.5ha in area, yet to be developed within the County (mixed-use zoning where residential is permitted is also included). The HLAS 'feeds' into the Housing Strategy and has an important influence on the process of assessing any requirement to re-zone (or otherwise) additional land for residential use as part of this Development Plan Review.

The Housing Land Availability Study (2008) found that there are **684 ha** undeveloped zoned land available for residential development in the County. Of this figure, **427ha** is serviced and ready for development, **28ha** proposed for servicing between now and 2010, and the remaining **228ha** is proposed for servicing between 2010 and 2014. The Housing Land Availability Study estimates that this quantum of zoned residential land has development potential for a total of **42,419 residential units**.

For the period from 2008-2016 (plus 3 years) the total number of housing units required to meet the RPG targets is **34,275**. The HLAS figure suggests that there is enough land to cater for **42,419** units – a 'surplus' in unit number terms of **24%**.

The implications for the 2010-2016 County Development Plan, based on an analysis of population projections and housing land availability, is that there appears to be more than sufficient zoned residential land to cater for the forecast need.

4 Housing Affordability

4.1 Introduction

This section sets out to analyse the affordability of housing in Dún Laoghaire-Rathdown over the period of the next Development Plan, 2010-2016. The methodology followed is that of the DOEHLG's 'Louth Model' 2. In summary, data is gathered on:

- Household incomes – projected over a six year period
- House prices – again, projected over a six year period

Assumptions are made on what "affordability" means – in this case, the definition is taken from the Planning and Development Acts 2000 – 2006 which states that if the monthly cost of servicing a mortgage (for a given house price) is greater than **35%** of the applicants after-tax income, then the applicant can be deemed eligible as (defined in Section 93(1)) for affordable housing.

A conclusion is reached on what proportion of new households formed in the County over the duration of the new Plan, will be unable to access housing on the open market, within the parameters of the above criteria.

The Council will provide for social and affordable housing in accordance with the provisions of the Planning and Development Acts 2000-2006.

4.2 Affordability – Household Incomes

Income levels are a key determinant of affordability, as set out in Section 93(1) of the Act. Data on income distributions (i.e. the proportions of households in certain income groups) as opposed to averages is available. The income distribution for Dún Laoghaire-Rathdown was developed as follows:

- The CSO Household Budget Survey for 2004/2005 (which is undertaken every 5 years) was used to find a national household income distribution. The data is used to identify the distribution of incomes across households, as the households at the bottom end of this distribution are those most likely to experience affordability difficulties.
- This distribution was then adjusted on the basis of assumptions made about the gap between Dún Laoghaire-Rathdown and national levels of household income. CSO data on county-level household incomes was used as the basis for adjustment. This adjustment enabled the production of an income distribution table for Dún Laoghaire-Rathdown on the basis that the distribution of incomes across the county (once adjusted by the average inflator shown in the note to Table 11) mirrors the national trend.
- The derived income distribution was inflated by assumed rates of household income growth. These rates of growth were based upon the Disposable Income Inflator data available from the Economic and Social Research Institute.

2 Part V of the Planning and Development Act, 2000 – Housing Supply – A Model Strategy and Step by Step Guide (2000)

Income Range	Weekly Disposable Income (€)	% of Households in each Category	Average Annual Disposable Household Income € (National)	Dún Laoghaire-Rathdown Inflator	Average Annual Disposable Household Income (DLR) €	No. of Households in DLR
1 st Decile	157.70	7.6	8,200.40	1.13	9,266.45	5199
2 nd Decile	244.53	8.8	12,715.56	1.13	14,368.58	6020
3 rd Decile	359.06	9.9	18,671.12	1.13	21,098.36	6772
4 th Decile	488.56	9.9	25,405.12	1.13	28,707.78	6772
5 th Decile	626.69	10.3	32,587.88	1.13	36,824.30	7045
6 th Decile	781.12	10.6	40,618.24	1.13	45,898.61	7251
7 th Decile	950.20	11.0	49,410.40	1.13	55,833.75	7525
8 th Decile	1,162.83	10.6	60,467.16	1.13	68,327.89	7251
9 th Decile	1,419.89	10.7	73,834.28	1.13	83,432.73	7320
10 th Decile	2,233.03	10.3	116,117.56	1.13	131,212.84	7045
Total						68,412

Table 11. Source CSO Household Budget Survey for 2004/2005

This facilitated the forecast household income distribution over the life of the development plan (Table 12)³.

³ Based on ESRI Medium Term Review 2005-2012 – 'Low Growth' Scenario.

Average Annual Disposable Income in Dún Laoghaire-Rathdown

2008	2009	2010	2011	2012	2013	2014	2015	2016
%Growth	4.4%	4.4%	3.9%	3.9%	3.9%	3.9%	3.9%	4.7%
9,266	9673	10,098	10,491	10,900	11,325	11,766	12,224	12,798
14,368	15,000	15,660	16,270	16,904	17,563	18,247	18,958	19,849
21,098	22,026	22,995	23,891	24,822	25,790	26,795	27,840	29,148
28,707	29,970	31,289	32,509	33,777	35,094	36,463	37,885	39,666
36,824	38,444	40,136	41,701	43,327	45,017	46,773	48,597	50,881
45,898	47,918	50,026	51,977	54,004	56,110	58,298	60,572	63,419
55,833	58,290	60,854	63,228	65,694	68,256	70,918	73,683	77,147
68,327	71,333	74,472	77,376	80,394	83,530	86,787	90,172	94,410
83,432	87,103	90,936	94,482	98,167	101,995	105,973	110,106	115,281
131,212	136,985	143,013	148,590	154,385	160,406	166,662	173,162	181,300

Table 12. Source CSO Household Budget Survey for 2004/2005/ ESRI Medium Term Review 2005-2012

4.3 Affordability – House Prices

4.3.1 Context

At this time, the task of ascertaining average house prices in the County, and predicting future trends in this direction as a means of estimating affordability is fraught with difficulties. House prices have been in constant decline since late 2006 (down by approximately 10% since Q3/2006⁴) and predictions about how far prices will fall and for how long are, by their nature, uncertain.

There is no official data on house prices at County level. The Department of the Environment Heritage and Local Government collects data at a regional level, with information available on the Dublin area. It is clear, however, that property values in Dún Laoghaire-Rathdown are higher, on average, than any of the other three Dublin authorities, and the highest of any County in the Country. A survey of estate agents was carried out to determine average house prices over the period 2007-2008. Again, the difficulty in obtaining accurate information on *actual* sale prices has been widely reported recently – with estate agents/vendors often unwilling or unable to offer precise sales information.

A good source of contextual data for house prices across the Dublin Region is the Permanent/TSB's Index of House Prices. This index is based on monthly mortgage sales in the Republic of Ireland which allows the company to compile comprehensive representative data on house prices and their movement. Permanent /TSB has a market share greater than one-fifth of residential lending. This Index has been developed in conjunction with the Economic and Social Research Institute (ESRI).

⁴ As of October 2008 as measured in the Permanent TSB/ESRI House Price Index

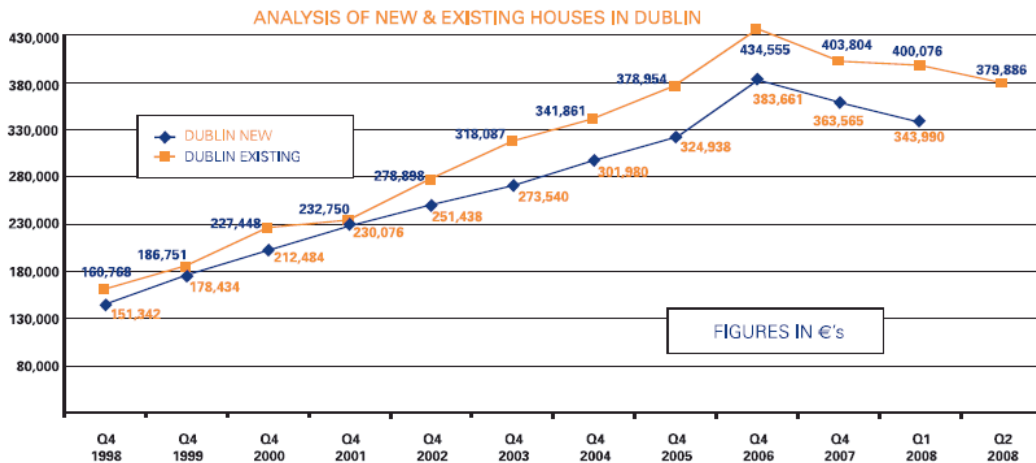


Table 13. New and Second hand House Prices. Source: Permanent/TSB Index of House Prices

The Permanent/TSB’s Index of House Prices (2008, Quarter 2) does not disaggregate house prices within the four Dublin Local Authorities. The average price of second Hand House in Dublin is given as €379,886 while the average price of new house is given as €343,990.

These average prices represent a substantial decline in recent months. House prices were reduced by 8.8% and 9.5% in the twelve months to August 2008 in Dublin and Outside Dublin respectively. The equivalent changes in the twelve months to July were -8.2% and -8.5% respectively.

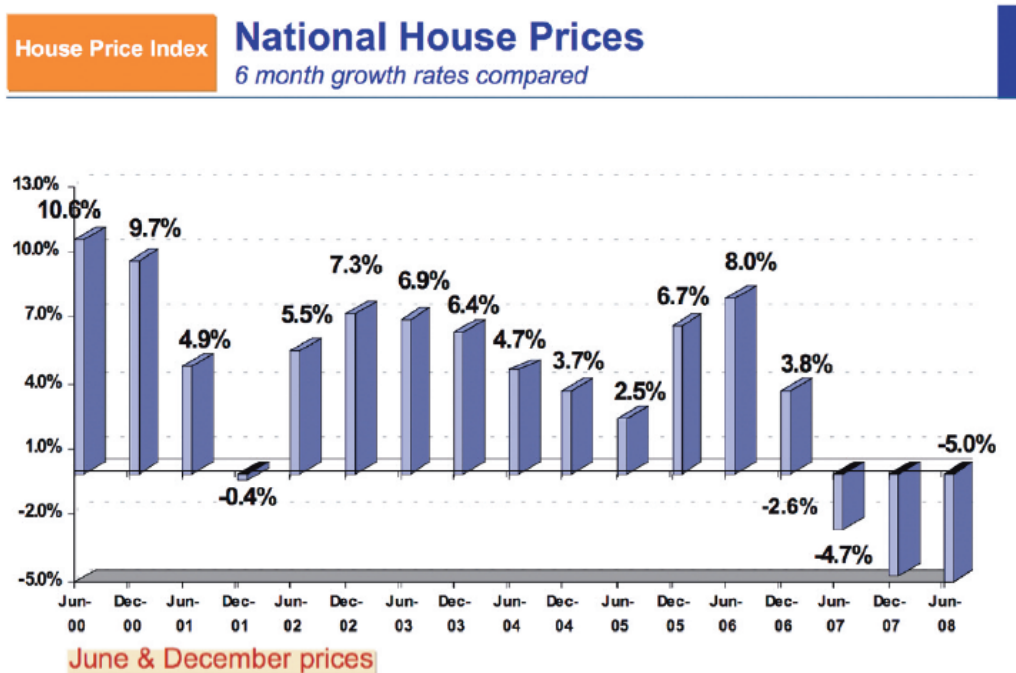


Table 14. National House Price Trends 2000-2008. Source: : Permanent/TSB Index of House Prices

4.3.2 Average House Prices in Dún Laoghaire-Rathdown

For the purposes of the Housing Strategy, the Planning Department of Dún Laoghaire-Rathdown County Council carried out a survey of local auctioneers to establish average property prices. The survey was conducted in October 2008 and involved 400 separate property prices - of apartments and houses, from 1 bed to 4 bed in all the major towns, suburbs and rural areas of the County. The results are below -

300,000	400,000	500,000	600,000	700,000	800,000	900,000	1m -	1.1m -	1.5m	2m+
-	-	-	-	-	-	-	-	-	-	-
400,000	500,000	600,000	700,000	800,000	900,000	1m	1.1m	1.5m	2m	
20%	23%	16%	14%	6%	4%	4%	1%	5%	4%	3%

Table 15. Property Prices in Dún Laoghaire-Rathdown October 2008. Source DLRCC Planning Dept.

There are a number of issues to note. There were a negligible number of units priced below €300,000 – so few in fact, to make it not worthwhile including. Also, there are a significant number of properties in the €1+m bracket – 13% of all properties surveyed cost in excess of €1m. These properties are clustered in certain areas of the County – Killiney, Dalkey, Foxrock – where it is difficult to find any property that is priced below €500,000.

The Housing Strategy methodology set out in the DoEHLG's "Louth Model" requires that a forecast of future house price trends, over the lifetime of the Development Plan, be made. Previous Housing Strategies for Dublin Local Authorities have used the forecasts set out in the Bacon Report – which forecast up as far as the year 2006.

Based on economic commentary and consultations with estate agents an estimate with regard to future direction in house prices has been made. It is accepted that there are many contrasting opinions abroad as to the duration of the current decline in prices and the likely future direction of house prices. The following forecast predicts a continued decline in prices up to 2011 with a period of stagnation until 2014. This assumption is also based on previous property market 'corrections' across Europe, where house prices lost up to 40% of their peak value through the cycle.

YEAR	2009	2010	2011	2012	2013	2014	2015	2016
% CHANGE	-8%	-10%	-5%	0%	0%	+3%	+4%	+5%

Table 16 Forecast of House Prices. Source: DLRCC Planning Dept.

4.4 Affordability Analysis

Using the data on forecasts for disposable incomes over the next eight years, it is possible to make assumptions about the value of a house that various cohorts of the population will be able to afford (adhering to the requirement that they do not expend greater than 35% of disposable income on mortgage costs). The methodology involves taking the annual disposable income (across the 10 deciles) and applying a formula (see below) that makes assumptions about the Loan-To-Value ratio (90% in this instance), term of loan (25 years) and interest rate (5% in this instance). It is possible to arrive at the maximum value of a property that an individual at this income band can afford.

The following table is the list of affordable housing per decile of disposable income:

	2008	2009	2010	2011	2012	2013	2014	2015	2016
1 st Decile	51,322	53,580	55,938	58,119	60,386	62,741	65,188	67,730	70,913
2 nd Decile	79,581	83,081	86,737	90,115	93,627	97,277	101,065	105,003	109,938
3 rd Decile	116,856	121,996	127,363	132,326	137,483	142,844	148,410	154,198	161,443
4 th Decile	159,001	165,997	173,300	180,059	187,081	194,378	201,958	209,835	219,697
5 th Decile	203,958	212,933	222,302	230,971	239,979	249,338	259,063	269,166	281,817
6 th Decile	254,217	265,402	277,080	287,886	299,114	310,779	322,900	335,493	351,261
7 th Decile	309,244	322,851	337,056	350,202	363,860	378,050	392,794	408,113	427,294
8 th Decile	378,445	395,097	412,481	428,568	445,282	462,648	480,691	499,438	522,912
9 th Decile	462,108	482,441	503,668	523,311	543,720	564,925	586,957	609,849	638,512
10 th Decile	726,749	758,726	792,110	823,002	855,099	888,448	923,097	959,098	1,004,176

Table 17. Maximum Affordable House Prices by Disposable Income Band -

The annuity formula used:

$$PV = Pt \left[\frac{1 - (1+i)^{-n}}{i} \right]$$

where PV = total loan size

(no greater than 90% of Market Value - Section 93(1))

Pt = monthly repayment amount

i = monthly interest rate

n = number of months over which the loan is to be paid

It is possible to derive the percentage of new households, which are formed each year over the duration of the Plan, that fall into each decile of affordability and the real number of new households in each category.

	% of new Households in each affordability Category	New Households per annum 2008-2016
1 st Decile	7.6	217
2 nd Decile	8.8	251
3 rd Decile	9.9	283
4 th Decile	9.9	283
5 th Decile	10.3	294
6 th Decile	10.6	303
7 th Decile	11.0	314
8 th Decile	10.6	303
9 th Decile	10.7	306
10 th Decile	10.3	294
	TOTAL	2,856

Table 18. Percentage and number of new households by affordability decile.

The next step is to project the maximum house price that each decile of new households formed per annum, can afford according to the Housing Strategy criteria. This figure increases each year in line with projected increases in disposable income.

No of House-holds	2008	2009	2010	2011	2012	2013	2014	2015	2016
217	51,322	53,580	55,938	58,119	60,386	62,741	65,188	67,730	70,913
251	79,581	83,081	86,737	90,115	93,627	97,277	101,065	105,003	109,938
283	116,856	121,996	127,363	132,326	137,483	142,844	148,410	154,198	161,443
283	159,001	165,997	173,300	180,059	187,081	194,378	201,958	209,835	219,697
294	203,958	212,933	222,302	230,971	239,979	249,338	259,063	269,166	281,817
303	254,217	265,402	277,080	287,886	299,114	310,779	322,900	335,493	351,261
314	309,244	322,851	337,056	350,202	363,860	378,050	392,794	408,113	427,294
303	378,445	395,097	412,481	428,568	445,282	462,648	480,691	499,438	522,912
306	462,108	482,441	503,668	523,311	543,720	564,925	586,957	609,849	638,512
294	726,749	758,726	792,110	823,002	855,099	888,448	923,097	959,098	1,004,176

Table 19. Projected Affordability – By Maximum House Price and Year, 2008 - 2016

The next step is to project actual house price changes over the lifetime of the Plan, according to the estimated trends discussed earlier.

YEAR	% Change	1	2	3	4	5	6	7	8	9	10
2008	Price	400000	500000	600000	700000	800000	900000	1000000	1100000	1500000	2000000
2009	-8%	368000	460000	552000	644000	736000	828000	920000	1012000	1380000	1840000
2010	-10%	331200	414000	496800	579600	662400	745200	828000	910800	1242000	1656000
2011	-5%	314640	393300	471960	550620	629280	707940	786600	865260	1179900	1573200
2012	0%	314640	393300	471960	550620	629280	707940	786600	865260	1179900	1573200
2013	0%	314640	393300	471960	550620	629280	707940	786600	865260	1179900	1573200
2014	3%	324079	405099	486119	567139	648158	729178	810198	891218	1215297	1620396
2015	4%	337042	421303	505564	589824	674085	758345	842606	926867	1263909	1685212
2016	5%	353894	442368	530842	619315	707789	796263	884736	973210	1327104	1769472
% distribution		20%	23%	16%	14%	6%	4%	4%	1%	5%	4%

Table 20. House Price Trends 2008-2016 (in €'s)

4.5 Affordability Index for 2008

Examining the above trends, the final step is to compare the maximum house price that each decile of income band can afford and cross-reference with the number of housing units to be delivered *at that price band*. This exercise is carried out for each year of the Plan period. This will indicate to what extent an affordability gap exists, for each given year.

% of Households in each Category	New Households per annum 2008	Affordable House Price Decile	Actual House Price Bands	% of Units in each Decile price Range	Number of Units in each Decile – as a % of 2856 units
7.6	217	51,322	300,000-400,000	20	571
8.8	251	79,581	>500,000	23	657
9.9	283	116,856	>600,000	16	457
9.9	283	159,001	>700,000	14	400
10.3	294	203,958	>800,000	6	171
10.6	303	254,217	>900,000	4	114
11.0	314	309,244	>1,000,000	4	114
10.6	303	378,445	>1,100,000	1	29
10.7	306	462,108	>1,500,000	5	143
10.3	294	726,749	>2,000,000	4	114
TOTAL	2,856			100%	2,856

Table 21. Affordability Index 2008

Note:

The house price survey (conducted October 2008) indicated that a negligible number of units are available in the County for less than €300,000. The least expensive house price band is 300,000 to 400,000. The lower 6 deciles of household income are unable to afford to service a mortgage (at 35% of disposable income) to purchase a property in this range (plus a proportion of the 7th deciles). – This equates to **67%** of all new households - a total of 1,961 households.

⁵ In other words, assuming that the incremental number of households is spread equally across the house price range (ie) that these households do not cluster at either end of the value range. The figure of 1,961 is calculated as follows:
1,631 households (i.e. 217 + 251 + 283 + 283 + 294 + 303) are likely to have a threshold price of less than €254,217. Therefore,
 $1631/254,217 = 0.0064$, can be allocated to each household. To get the number of households for the £300,000- 400,000 threshold simply multiply 300,000 by 0.0062, yielding 1,924.

4.6 Affordability Index for 2009

% of Households in each Category	New Households per annum 2008	Affordable House Price Decile	Actual House Price Bands	% of Units in each Decile price Range	Number of Units in each Decile – as a % of 2856 units
7.6	217	53,580	276,000 - 368,000	20	571
8.8	251	83,081	460,000	23	657
9.9	283	121,996	552,000	16	457
9.9	283	165,997	644,000	14	400
10.3	294	212,933	736,000	6	171
10.6	303	265,402	828,000	4	114
11.0	314	322,851	920,000	4	114
10.6	303	395,097	1,012,000	1	29
10.7	306	482,441	1,380,000	5	143
10.3	294	758,726	1,840,000	4	114
TOTAL	2,856			100%	2,856

Table 22. Affordability Index 2009

Note:

It is projected that house prices will decline by 8% from the previous year, but incomes will see a moderate increase. The affordability situation should therefore improve somewhat.

The house price survey (conducted October 2008) indicated that a negligible number of units are available in the County for less than €300,000. The least expensive house price band is 300,000 to 400,000. The lower 6 deciles of household income are unable to afford to service a mortgage (at 35% of disposable income) to purchase a property in this range (plus a small proportion of the 7th decile). – This equates to **58%** of all new households - a total of 1,711 households.

4.7 Affordability Index for 2010

% of Households in each Category	New Households per annum 2008	Affordable House Price Decile	Estimated House Price Bands	% of Units in each Decile price Range	Number of Units in each Decile – as a % of 2856 units
7.6	217	55,938	248,400 - 331,200	20	571
8.8	251	86,737	414,000	23	657
9.9	283	127,363	496,800	16	457
9.9	283	173,300	579,600	14	400
10.3	294	222,302	662,400	6	171
10.6	303	277,080	745,200	4	114
11.0	314	337,056	828,000	4	114
10.6	303	412,481	910,800	1	29
10.7	306	503,668	1,242,000	5	143
10.3	294	792,110	1,656,000	4	114
TOTAL	2,856			100%	2,856

Table 23. Affordability Index 2010

Note:

It is projected that house prices will decline by 10% from the previous year, but incomes will see a moderate increase. The affordability situation should therefore improve somewhat.

The house price survey (conducted October 2008) indicated that a negligible number of units are available in the County for less than €300,000. The least expensive house price band is 300,000 to 400,000. The lower 5 deciles of household income are unable to afford to service a mortgage (at 35% of disposable income) to purchase a property in this range (plus a small proportion of the 6th decile). This equates to **52%** of all new households - a total of 1,511 households.

4.8 Affordability Index for 2011

% of Households in each Category	New Households per annum 2008	Affordable House Price Decile	Estimated House Price Bands	% of Units in each Decile price Range	Number of Units in each Decile – as a % of 2856 units
7.6	217	58,119	235,980 - 314,640	20	571
8.8	251	90,115	393,300	23	657
9.9	283	132,326	471,960	16	457
9.9	283	180,059	550,620	14	400
10.3	294	230,971	629,280	6	171
10.6	303	287,886	707,940	4	114
11.0	314	350,202	786,600	4	114
10.6	303	428,568	865,260	1	29
10.7	306	523,311	1,179,900	5	143
10.3	294	823,002	1,573,200	4	114
TOTAL	2,856			100%	2,856

Table 24. Affordability Index 2011

Note:

It is projected that house prices will decline by 5% from the previous year, but incomes will see a moderate increase. The affordability situation should therefore improve somewhat.

The house price survey (conducted October 2008) indicated that a negligible number of units are available in the County for less than €300,000. The least expensive house price band is 300,000 to 400,000. The lower 5 deciles of household income are unable to afford to service a mortgage (at 35% of disposable income) to purchase a property in this range (plus a small proportion of the 6th decile). – This equates to **48%** of all new households - a total of 1,382 households.

4.9 Affordability Index for 2012

% of Households in each Category	New Households per annum 2008	Affordable House Price Decile	Estimated House Price Bands	% of Units in each Decile price Range	Number of Units in each Decile – as a % of 2856 units
7.6	217	60,386	235,980 - 314,640	20	571
8.8	251	93,627	393,300	23	657
9.9	283	137,483	471,960	16	457
9.9	283	187,081	550,620	14	400
10.3	294	239,979	629,280	6	171
10.6	303	299,114	707,940	4	114
11.0	314	363,860	786,600	4	114
10.6	303	445,282	865,260	1	29
10.7	306	543,720	1,179,900	5	143
10.3	294	855,099	1,573,200	4	114
TOTAL	2,856			100%	2,856

Table 25. Affordability Index 2012

Note:

It is projected that house prices will remain static from the previous year, but incomes will see a moderate increase. The affordability situation should therefore improve somewhat.

The house price survey (conducted October 2008) indicated that a negligible number of units are available in the County for less than €300,000. The least expensive house price band is 300,000 to 400,000. The lower 4 deciles of household income are unable to afford to service a mortgage (at 35% of disposable income) to purchase a property in this range (plus a proportion of the 5th decile). – This equates to **45%** of all new households - a total of 1,328 households.