Northern Ireland

Residential Property Price Index

April - June 2012

Land & Property Services®

Northern Ireland Statistics & Research agency

Published 22nd August 2012 **Coverage: Northern Ireland**

The Residential Property Price Index is designed to provide a measure of change in the price of a standardised residential property sold in Northern Ireland. It is a quarterly composite index, combining a house price index and an apartment price index.

The index adopts a mix-adjusted approach to control for differences in properties sold, using certain key characteristics (type, size, location, etc.). This method uses a model to produce a standardised value which reflects pure price change. The index uses information on all verified residential properties sales as recorded by Her Majesty's Revenue & Customs each quarter.

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

Key Findings

- Over the year to the end of June 2012 residential property prices fell by 11%;

- Between Q1 (January - March) 2012 and Q2 (April - June) 2012 residential property prices fell by 3%;

- Around 3,000 verified residential properties sold between April and June 2012, an 11% increase on the number sold in the second quarter of 2011; and

- Residential property prices are now 7% lower than Q1 2005 and around half of the peak value of the housing market in Q3 2007;

Introduction

This publication analyses the Northern Ireland domestic property market using residential sales recorded by Her Majesty's Revenue & Customs (HMRC) for stamp duty purposes. Information on all sales must be passed by law to HMRC – more detail on the HMRC data is available in the background notes.

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.

The report includes six sections:

1. Northern Ireland Residential Property Price Index
2. Volumes of Domestic Property Sales (Quarter 2 2012)
3. Residential Property Sales Price Data
4. Residential Property Price Index by Property Type
5. Regional Residential Property Price Statistics (Quarter 2 2012)
6. Background Notes

The Background Notes at the end of the report provide detailed information on the methodology used to produce the statistics. The index values for each property type between Quarter 1 2005 and the present quarter are presented in Annexe 1 of this report.

1. Northern Ireland Residential Property Price Index

The overall performance of the residential property market is measured in this report using the Northern Ireland Residential Property Price Index (NI RPPI). The index uses a modelling approach, to produce a standardised property price. The use of a “mix adjusted” approach controls for differences in 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 etc), (See Section 3).

Revisions

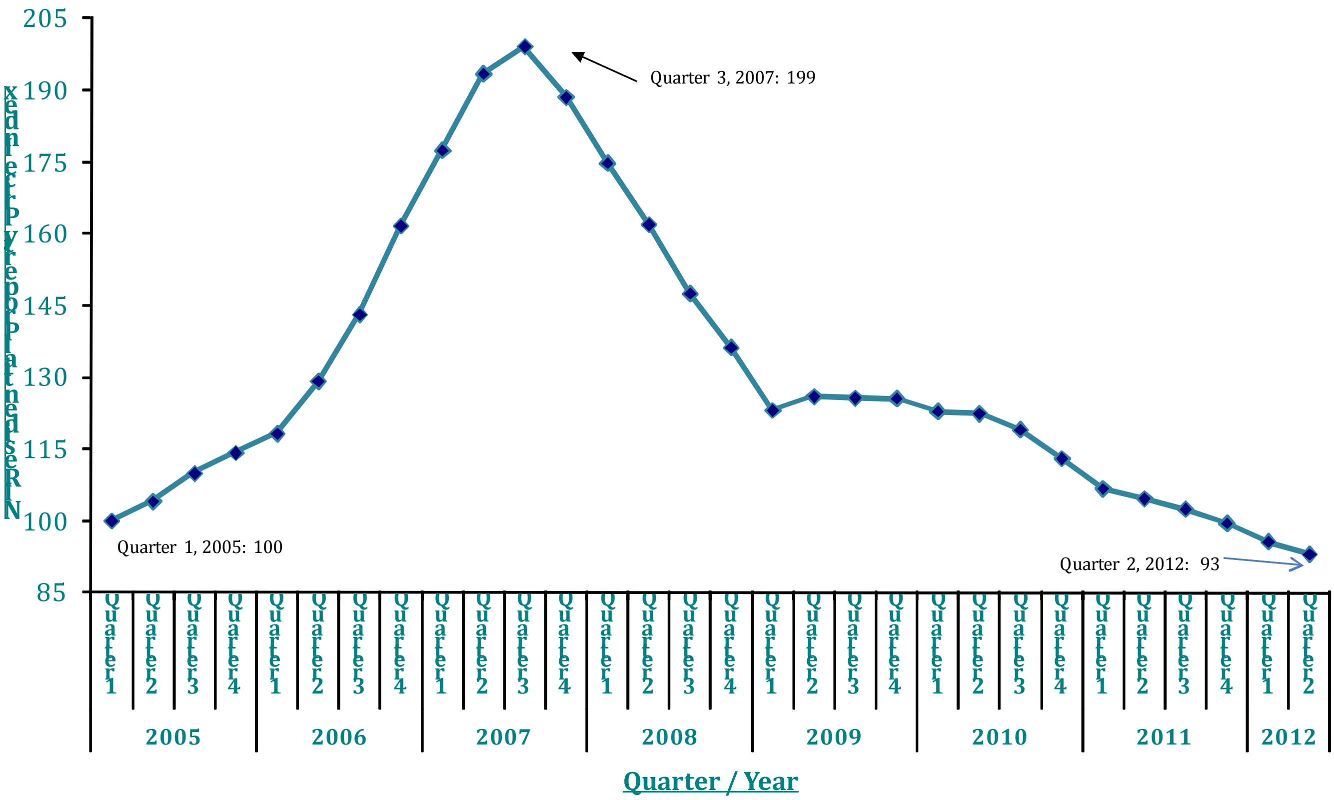
Results for the most recent quarter are provisional and subject to revision as more up-to-date data become available (e.g. through late sales returns to HM Revenue & Customs and revisions to existing sales data). Figures can also change as a result of planned methodological changes, human error or system failures. 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.

As a result of more up-to-date data, the Q1 2012 NI Residential Property Price Index has been revised from 93 to 96, therefore indicating that the residential property prices fell by 4% between Q4 2011 and Q1 2012 (as opposed to the 7% reported in the last statistics report) and fell by 10% over the year to Q1 2012 (as opposed to the 13% reported in the last statistics report).

In producing the Q2 2012 figures it became apparent that a minor error had occurred in automating the process for producing the time series for the Apartment Index. The merging process failed to bring in a few of the model coefficients, thus impacting on the standardised price that was calculated. Revising the Apartment Index back to Q1 2005 showed that it peaked in Q2 2007, rather than Q3 2007. As this only affected the calculation of the apartment index the impact on the overall NI RPPI is very minimal. The background notes contain graphs showing the original and revised Apartment Index and the original and revised NI Residential Property Price Index to show the scale of the impact.

Figure 1 shows the revised NI RPPI series since January – March 2005 (Quarter 1 2005). Q1 2005 is the reference base period and the index is set to 100 for that period.

Figure 1: Northern Ireland Residential Property Price Index (Q1 2005 – Q2 2012)



[Download chart]

The NI RPPI rose from the base value of 100 through 2005. The Index rose more sharply through 2006 and the first half of 2007 to reach a peak of 199 in Quarter 3 (July-September) 2007. Therefore the standardised residential property price nearly doubled over this two and a half year period.

Since the third quarter of 2007 the NI RPPI has fallen initially sharply, albeit with prices stabilising in 2009 and the first half of 2010. Since 2010, prices have continued to fall but at a less marked rate of decline. The NI RPPI currently stands at 93 in the second quarter of 2012. This represents a 53% decline from the peak. The standardised residential property price is now 7% lower than in the first quarter of 2005.

Table 1: NI Residential Property Price Index Values

Year	Quarter	NI Residential Property Price Index	Quarterly Change	Annual Change
2005	Quarter 1	100		
	Quarter 2	104	4%	
	Quarter 3	110	6%	
	Quarter 4	114	4%	
2006	Quarter 1	118	4%	18%
	Quarter 2	129	9%	24%
	Quarter 3	143	11%	30%
	Quarter 4	162	13%	42%
2007	Quarter 1	177	10%	50%
	Quarter 2	193	9%	50%
	Quarter 3	199	3%	39%
	Quarter 4	188	-5%	17%
2008	Quarter 1	175	-7%	-1%
	Quarter 2	162	-7%	-16%
	Quarter 3	147	-9%	-26%
	Quarter 4	136	-8%	-28%
2009	Quarter 1	123	-10%	-30%
	Quarter 2	126	2%	-22%
	Quarter 3	126	0%	-15%
	Quarter 4	126	0%	-8%
2010	Quarter 1	123	-2%	0%
	Quarter 2	122	0%	-3%
	Quarter 3	119	-3%	-5%
	Quarter 4	113	-5%	-10%
2011	Quarter 1	107	-6%	-13%
	Quarter 2	105	-2%	-14%
	Quarter 3	102	-2%	-14%
	Quarter 4	99	-3%	-12%
2012	Quarter 1	96	-4%	-10%
	Quarter 2	93	-3%	-11%

Download table

2. Sales Volumes

Table 2 shows the number of verified residential property sales in Northern Ireland during each quarter between Q1 2005 and Q2 2012.

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.

Table 2: Number of Verified Residential Property Sales in Northern Ireland

Year	Quarter	Detached	Semi-Detached	Terrace	Apartment	Total
2005	Quarter 1	855	943	1,078	200	3,076
	Quarter 2	2,320	2,550	2,863	487	8,220
	Quarter 3	2,382	2,717	3,027	534	8,660
	Quarter 4	2,592	3,082	3,556	625	9,855
	2005 Total	**8,149**	**9,292**	**10,524**	**1,846**	**29,811**
2006	Quarter 1	2,296	2,737	3,248	589	8,870
	Quarter 2	2,926	3,324	3,965	859	11,074
	Quarter 3	3,081	3,197	3,954	849	11,081
	Quarter 4	2,880	3,200	4,142	865	11,087
	2006 Total	**11,183**	**12,458**	**15,309**	**3,162**	**42,112**
2007	Quarter 1	2,300	2,519	3,388	686	8,893
	Quarter 2	2,428	2,738	3,641	735	9,542
	Quarter 3	2,001	1,920	2,492	518	6,931
	Quarter 4	1,190	1,240	1,532	427	4,389
	2007 Total	**7,919**	**8,417**	**11,053**	**2,366**	**29,755**
2008	Quarter 1	824	906	1,141	237	3,108
	Quarter 2	861	1,061	1,191	325	3,438
	Quarter 3	639	713	816	179	2,347
	Quarter 4	644	741	759	169	2,313
	2008 Total	**2,968**	**3,421**	**3,907**	**910**	**11,206**
2009	Quarter 1	546	681	637	180	2,044
	Quarter 2	758	1,050	863	228	2,899
	Quarter 3	896	1,144	1,046	228	3,314
	Quarter 4	1,021	1,257	1,116	248	3,642
	2009 Total	**3,221**	**4,132**	**3,662**	**884**	**11,899**
2010	Quarter 1	659	821	865	226	2,571
	Quarter 2	757	938	855	185	2,735
	Quarter 3	721	925	973	137	2,756
	Quarter 4	834	847	939	210	2,830
	2010 Total	**2,971**	**3,531**	**3,632**	**758**	**10,892**
2011	Quarter 1	669	784	821	162	2,436
	Quarter 2	779	820	825	238	2,662
	Quarter 3	971	1,043	957	276	3,247
	Quarter 4	917	1,005	951	262	3,135
	2011 Total	**3,336**	**3,652**	**3,554**	**938**	**11,480**
2012	Quarter 1	929	959	1,009	236	3,133
	Quarter 2	853	935	943	231	2,962

[Download table](#)

The quarterly number of verified residential property sales rose sharply during 2005 and 2006 to reach a peak of 11,087 in 2006 Quarter 4. The annual number of sales stood at just over 42,000 in 2006. Since 2009 the annual number has stood at around 11-12,000, thus giving a 75% reduction in transactions since 2006. In April - June 2012 there were 2,962 verified residential property sales. Between 2009 and June 2012, 27% of sales were detached properties, 31% semi-detached and 34% terraced properties. In contrast only around 8% of sales were of apartments.

3. Residential Property Sales Price Data (Quarter 2 2012)

The Northern Ireland Residential Property Price Index (NI RPPI) is designed to measure the trend in the residential property market. However users also have an interest in residential property sales price data.

Whilst publishing these data, a number of points are important to note:

1. not all properties are available for sale (e.g. some public sector properties are never sold). Therefore sales price data do not represent the overall housing stock.
2. there is significant difference in sales price data across property types. To allow for this the data in the table below are split by property type.
3. the distribution of sales price data is asymmetric (see figure below).

A standard summary measure of sales price data is the **simple average price** (shown in the red bar). However this is influenced by the small number of higher priced detached properties sold.

Another measure is the **simple median price** (i.e. the price below/above which half of properties are sold). This is shown by the dark grey bar and is a better measure of the “price of a typical property”. However the simple median does not give a good measure of the overall market trend as it does not take account of the differences in types of properties sold each quarter.

The NI RPPI uses a preferred method which calculates a **standardised price,** which is an hypothecated value based on a weighted combination of prices (e.g. 0.5% of a detached house in North Down, 4% of a terraced house in Belfast etc.) and provides a better measure on which to create an index, reflecting pure price change.

The following diagram is for illustration purposes only and is not updated quarterly.

Figure 2: Distribution of Residential Property Prices (Q1 2012)

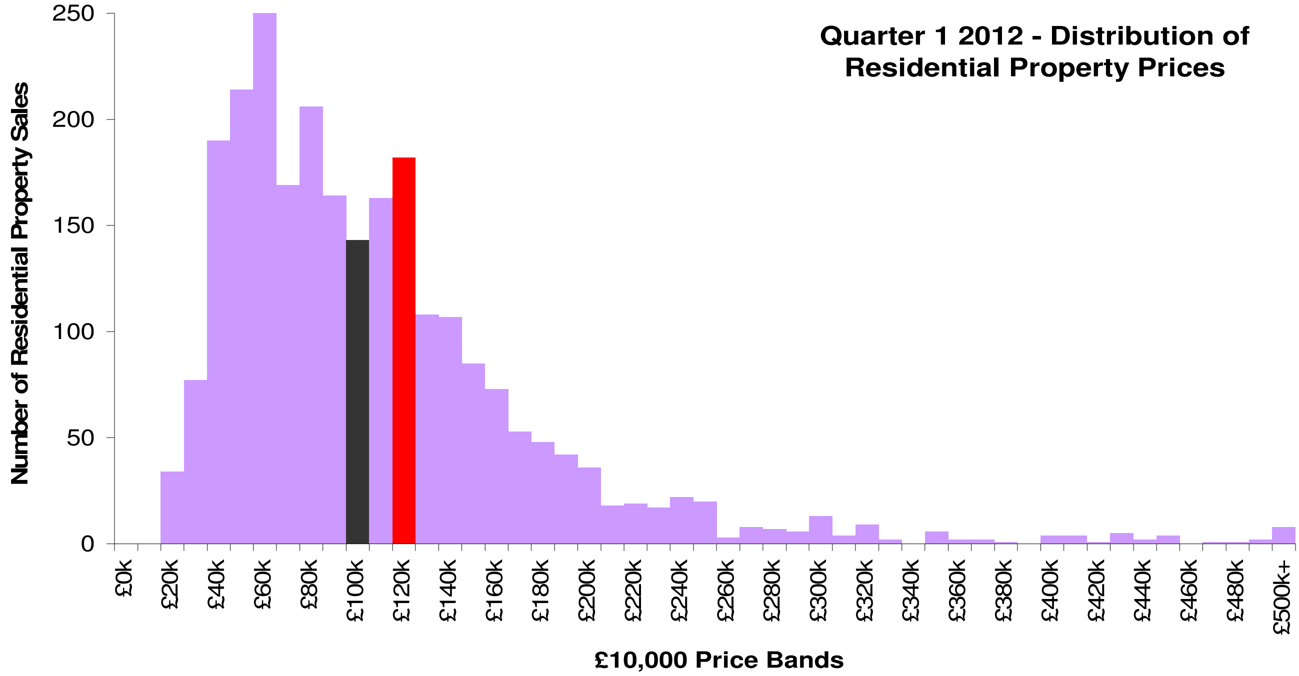


Table 3 gives the value of all three measures for sales in the second quarter of 2012. These are

(i) the simple average price,

(ii) the simple median price; and

(iii) the standardised price from the NI RPPI.

Table 3: Residential Property Sales Price Data by Property Type (Q2 2012)

Property Type	Residential Sales Price Data (Q2 2012)		
	Simple Mean	Simple Median	Standardised Price (RPPI)
Detached	£165,667	£148,500	£141,900
Semi-Detached	£105,244	£99,950	£95,836
Terrace	£73,920	£64,500	£67,534
Apartment	£89,488	£75,000	£79,705
All	£111,521	£96,000	£95,623

Download table

Across all properties the summary price data statistic (average, median, standardised price) varies between £96-111,500. The simple average price is highest, as it is influenced by the small number of higher priced detached properties sold. Detailed trend statistics on all three statistics are given in the methodology report. In addition, simple annual median figures by Local Government District are available on the website.

This report is based on sales from the HMRC stamp duty land tax and NI Valuation List dataset (see Background Notes for more detail). Other house price reports are based on different sales datasets (e.g. sales with a mortgage, sales through estate agents etc.) and therefore the price statistics in this report are not directly comparable to those from other reports.

4. Residential Property Price Index by Property Type

Table 4: NI Residential Property Price Index by Property Type

Type	Index (Quarter 2 2012)	Percentage Change on Previous Quarter	Percentage Change over 12 months	Standardised Price (Quarter 2 2012)
Detached	97	-4%	-10%	£141,900
Semi-Detached	95	-6%	-11%	£95,836
Terrace	85	3%	-13%	£67,534
Apartment	79	-7%	-19%	£79,705
All	93	-3%	-11%	£95,623

(Index Q1 2005 = 100)

Download table

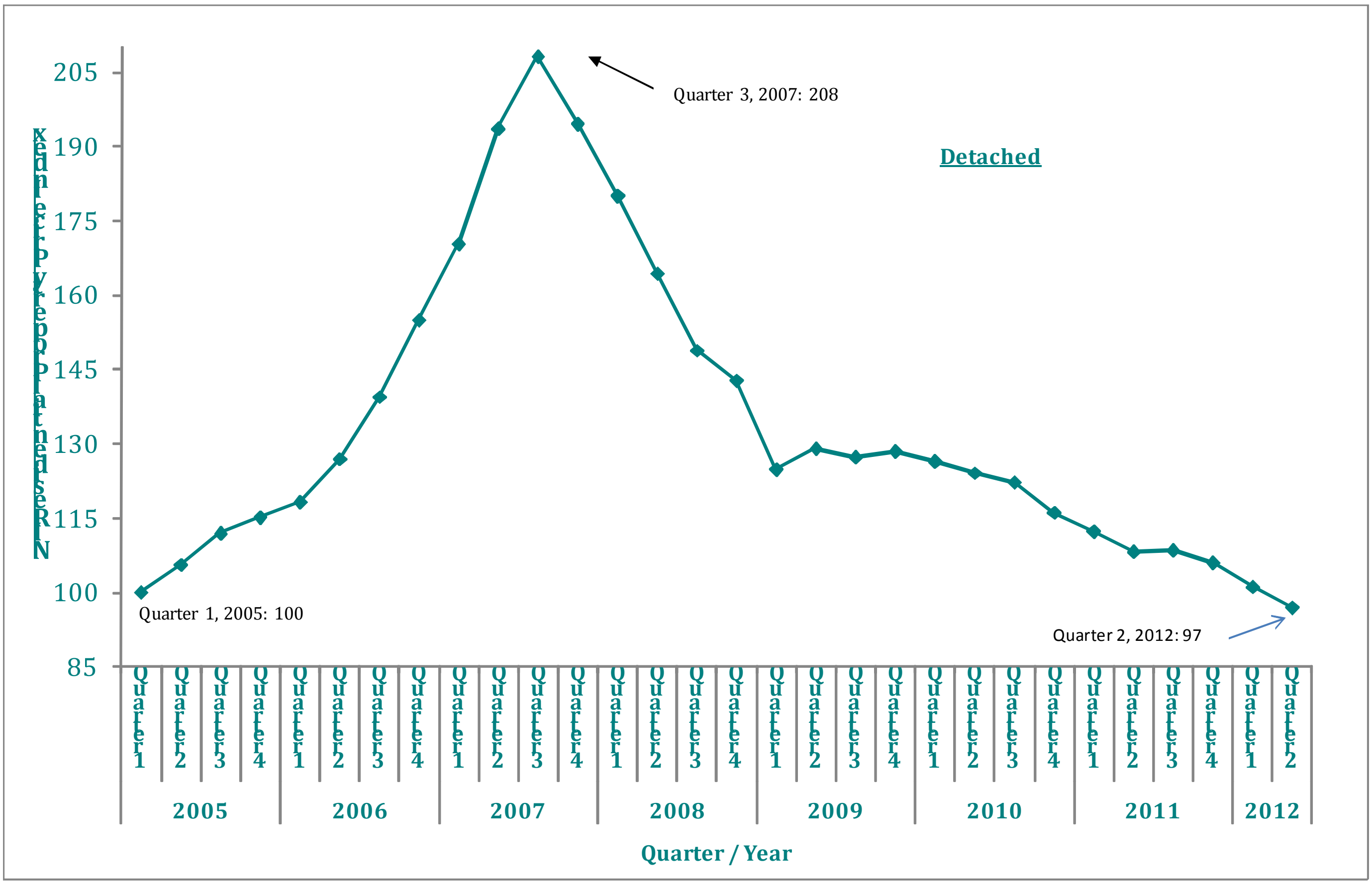
The table shows the index and standardised price of different types of residential property for the second quarter in 2012 as compared to the first quarter in 2012. Over the last three months rates of decrease have varied across property types. Detached properties saw the smallest decrease (4%) whereas terrace properties saw an increase of 3% over the quarter. It is too early to say if terrace property prices are bottoming out.

The table also shows the NI RPPI for the second quarter of 2012 compared with the second quarter of 2011 (the same period last year). Over the year the Index for all properties has fallen, but the standardised price for terrace properties and apartments has fallen most. This is particularly evident in the trend since 2010 (also see figure 3c & 3d).

The remainder of this section shows the trend since 2005 across the four property types (detached, semi-detached, terrace, apartment).



Figure 3a: NI Residential Property Price Index – Detached (Q1 2005 – Q2 2012)



[Download chart]

Table 5a: NI Detached Property Price Index Statistics

	NI RPPI Q1 2012	NI RPPI Q2 2012	Percentage Change Q1 2012 to Q2 2012	NI RPPI Q2 2011	Percentage Change Q2 2011 to Q2 2012	Quarter in which peak price recorded	Percentage Change from peak price to Q2 2012
Detached Properties	101	97	-4%	108	-10%	Q3 2007	-53%
All Properties	96	93	-3%	105	-11%	Q3 2007	-53%

(Index Q1 2005 = 100)

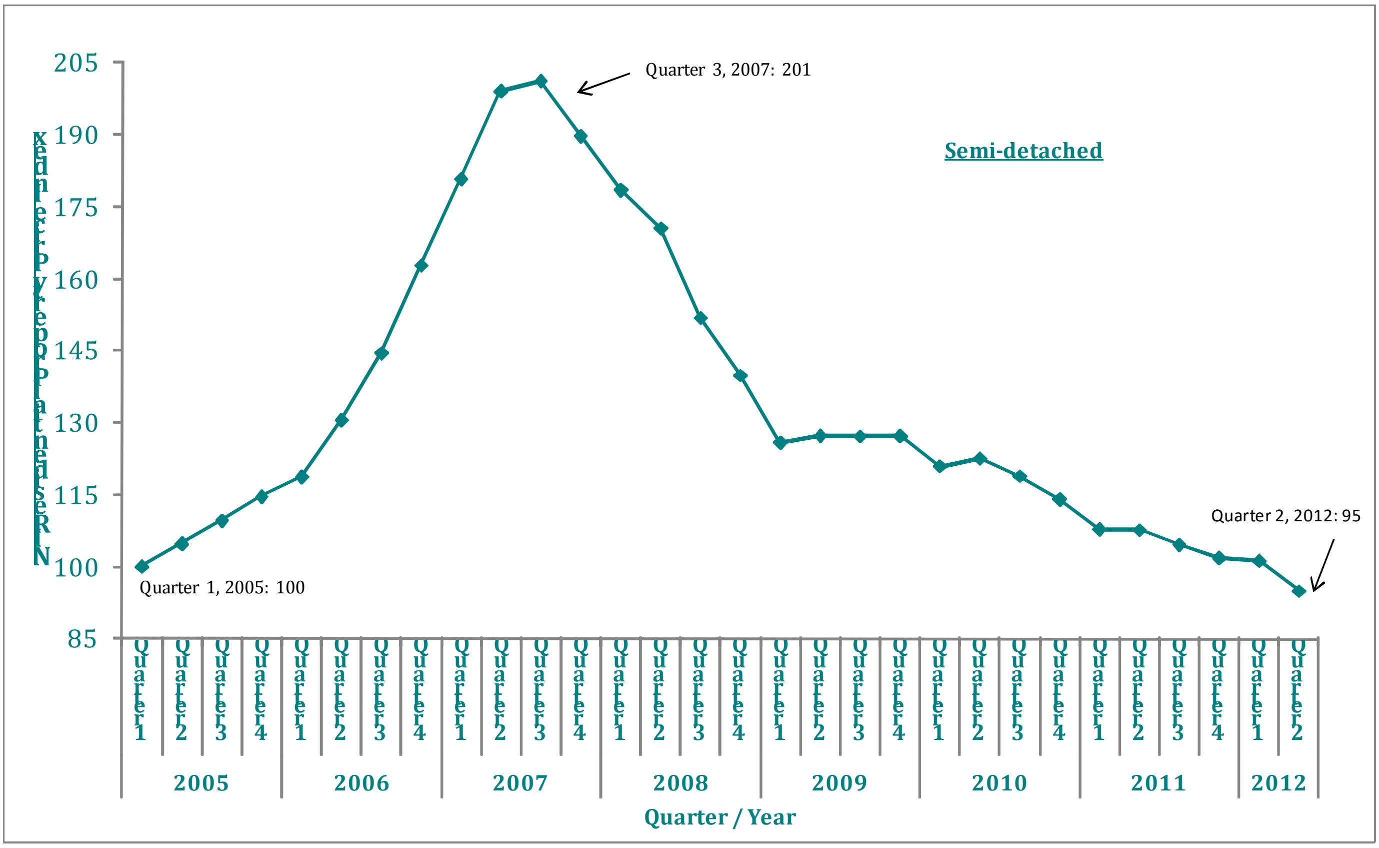
[Download table]

Figure 3a graphs the index for detached properties sold in Northern Ireland.

Between January 2005 and September 2007 the standardised price for detached properties sold in Northern Ireland doubled. However since this high in Q3 2007, the price index for detached properties has fallen by 53%.

Currently the Index for detached properties stands at 97 (i.e. prices today are typically 3% lower than the first quarter of 2005).

Figure 3b: NI Residential Property Price Index – Semi-Detached (Q1 2005 – Q2 2012)



Download chart

Table 5b: NI Semi-Detached Property Price Index Statistics

	NI RPPI Q1 2012	NI RPPI Q2 2012	Percentage Change Q1 2012 to Q2 2012	NI RPPI Q2 2011	Percentage Change Q2 2011 to Q2 2012	Quarter in which peak price recorded	Percentage Change from peak price to Q2 2012
Semi-Detached Properties	101	95	-6%	108	-11%	Q3 2007	-53%
All Properties	96	93	-3%	105	-11%	Q3 2007	-53%

(Index Q1 2005 = 100)

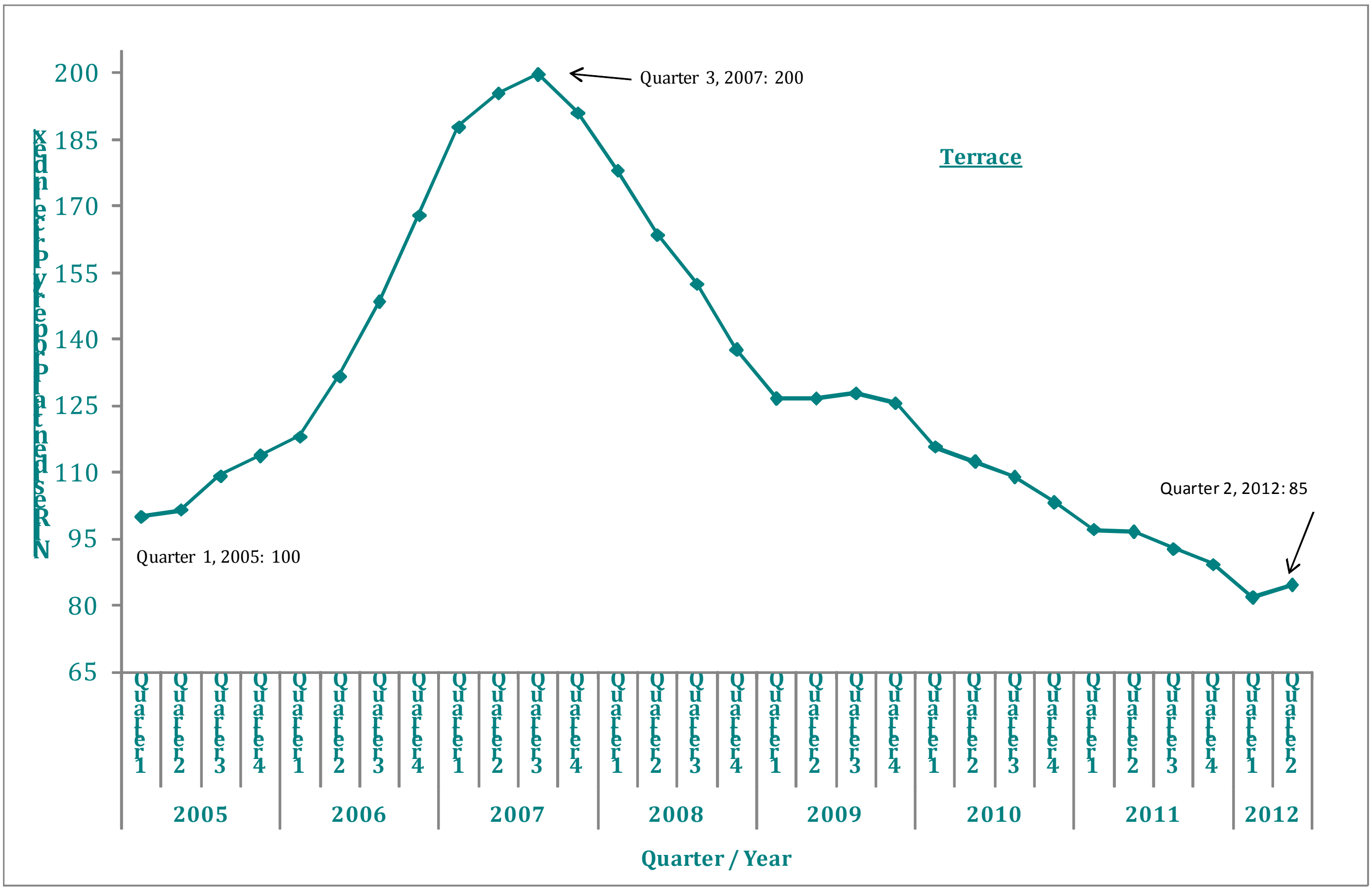
Download table

Figure 3b shows the index for semi-detached properties in Northern Ireland.

The index for semi-detached properties saw a rise of 101% between January 2005 and September 2007. However by early 2009, the index decreased to stand at 126 in Q1 2009.

During 2009 the standardised price of semi-detached properties sold remained around 27% above the January to March 2005 level. However since mid 2010 the price index for semi-detached properties has fallen and is now 5% lower than the Q1 2005 level.

Figure 3c: NI Residential Property Price Index – Terrace (Q1 2005 – Q2 2012)



[Download chart]

Table 5c: NI Terrace Property Price Index Statistics

	NI RPPI Q1 2012	NI RPPI Q2 2012	Percentage Change Q1 2012 to Q2 2012	NI RPPI Q2 2011	Percentage Change Q2 2011 to Q2 2012	Quarter in which peak price recorded	Percentage Change from peak price to Q2 2012
Terrace Properties	82	85	3%	97	-13%	Q3 2007	-58%
All Properties	96	93	-3%	105	-11%	Q3 2007	-53%

(Index Q1 2005 = 100)

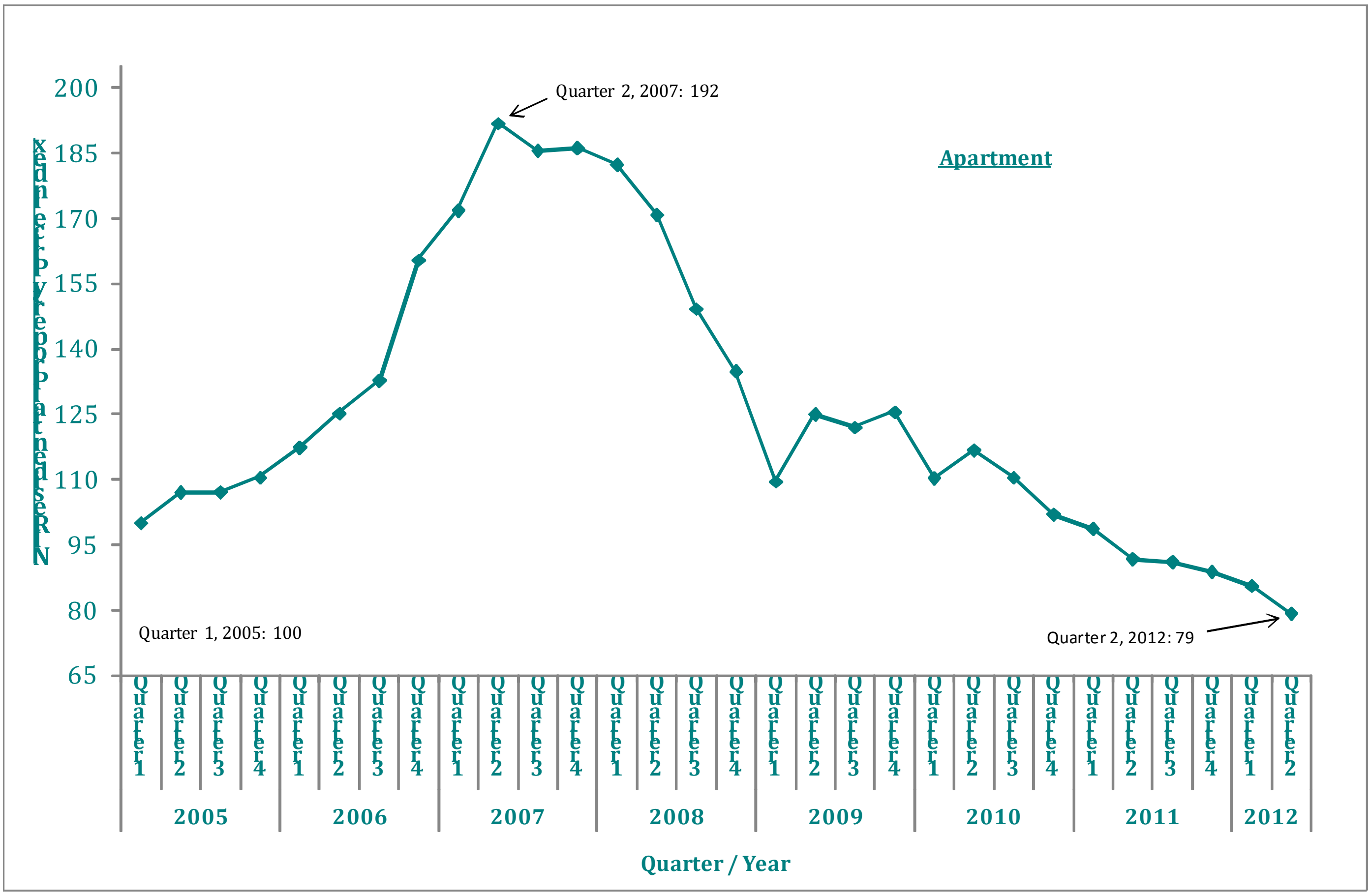
[Download table]

Figure 3c shows the index for terrace properties sold in Northern Ireland.

The standardised price of terrace properties sold in Northern Ireland increased by 100% from the base period of Q1 2005 to Q3 2007.

Following the peak of Q3 2007 the index decreased to 127 in Q1 2009. In a similar manner to detached and semi-detached properties, the index for terrace properties sold in 2009 remained stable. However during 2010, 2011 and the first quarter of 2012 the index decreased each quarter. Although the index for terrace properties saw an increase of 3% over the quarter to stand at 85, it is still 13% lower than the same period last year and 15% below the Q1 2005 level. It is too early to say if terrace property prices are bottoming out.

Figure 3d: NI Residential Property Price Index – Apartments (Q1 2005 – Q2 2012)



[Download chart]

Table 5d: NI Apartment Price Index Statistics

	NI RPPI Q1 2012	NI RPPI Q2 2012	Percentage Change Q1 2012 to Q2 2012	NI RPPI Q2 2011	Percentage Change Q2 2011 to Q2 2012	Quarter in which peak price recorded	Percentage Change from peak price to Q2 2012
Apartments	86	79	-7%	92	-19%	Q2 2007	-59%
All Properties	96	93	-3%	105	-11%	Q3 2007	-53%

(Index Q1 2005 = 100)
[Download table]

Figure 3d shows the price index for apartments sold in Northern Ireland.

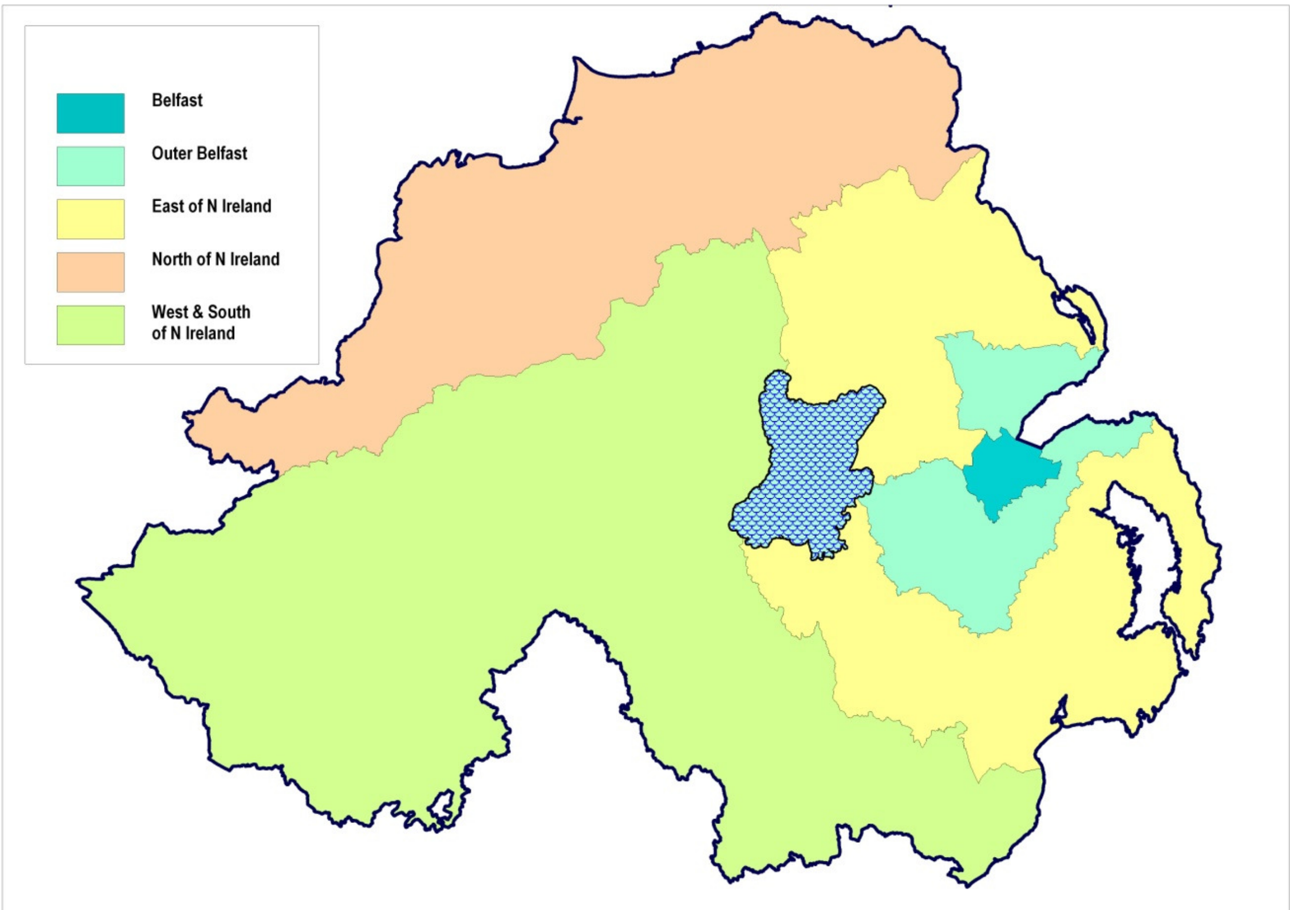
Unlike other property types, the price index for apartments shows that apartment prices peaked in Q2 2007 as opposed to Q3 2007. At the peak prices were 92% higher than at Q1 2005. During 2008 the index for apartments sold fell sharply to stand at 109 in Q1 2009.

Since the start of 2010 this sector of the market has produced a relatively low number of sales and this has given the index a volatile appearance for this period. Since Q2 2010 the index has fallen continuously and is currently 21% lower than at the beginning of 2005.

5. Regional Residential Property Price Statistics

The number of quarterly property transactions in some Local Government Districts is small. Therefore a robust quarterly Local Government District level residential property price index cannot be produced at this time. However, to observe regional differences, the price of a standardised property across five areas[1] has been calculated. The areas are: Belfast, Outer Belfast, North of Northern Ireland, East of Northern Ireland and West & South of Northern Ireland (see map below).

Figure 4: Regions within Northern Ireland



[1] See Background note 8 for a definition of these large regional areas

Table 6: NI RPPI and standardised price by Area (Quarter 2 2012)

Regional Area	Index (Quarter 2 2012)	Percentage Change on Previous Quarter	Percentage Change over 12 months	Standardised Price (Quarter 2 2012)
Belfast	91	0%	-12%	£92,699
Outer Belfast	97	0%	-10%	£108,669
East of Northern Ireland	95	-2%	-10%	£95,482
North of Northern Ireland	90	-5%	-10%	£87,887
West & South of Northern Ireland	86	-10%	-14%	£84,893
Northern Ireland	93	-3%	-11%	£95,623

(Index Q1 2005 = 100)

Download table

Table 6 shows the NI Residential Property Price Index and standardised price for each regional area in Northern Ireland at Quarter 2 2012. The West & South of Northern Ireland showed the largest decrease, 10% over the three months since Q1 2012.

Belfast and Outer Belfast experienced no change in the second quarter of 2012.

During the 12 months since Q2 2011, the index showed decreases of 10 percent across three of the five regional areas. Properties sold in Belfast and the West & South of Northern Ireland saw a larger decrease of around 12% and 14% respectively over the year.

6. Background Notes

1. Introduction

The decision by the Minister for Finance and Personnel in December 2002 to commence work on a capital value domestic revaluation stimulated Valuation & Lands Agency (now part of Land & Property Services) interest in the concept of a House Price Index (HPI). LPS and NISRA researched the technicalities involved, examined the methodology employed in existing HPIs and confirmed their capability to produce local analysis.

The National Statistician's review of House Price Statistics was published in December 2010. This recommended the production of a reliable mix-adjusted House Price Index based on actual sales.

During the production of the Northern Ireland Residential Property Price Index advice was sought from international experts

- Niall O'Hanlon, Central Statistics Office, Ireland
- Jim O'Donohue, Methodology Advisory Service, Office for National Statistics
- Mick Silver, Statistics Department, International Monetary Fund
- Professor Erwin Diewert, Department of Economics, University of British Columbia

LPS/NISRA would like to acknowledge their input and thank them for the advice and assistance received.

2. Methodology

The Northern Ireland Residential Property Price Index (RPPI) combines information on housing and apartment sales.

Calculating a Residential Property Price Index (RPPI) for Northern Ireland is not straightforward. Individual properties are sold rarely and also vary in type and size which makes it difficult to monitor the change in price of property over time.

The preferred method to create a house price index is to use mathematical modelling. This is done using a technique called hedonic modelling. Such a method takes the price of a "good", in this case a residential property, and describes it by some characteristics. A residential property can be viewed as a collection of characteristics such as (size = 150 m^2, Class = Private Sector, Type = Detached, Housing Market = Greater Belfast, etc.). Hedonic modelling then estimates the relationship between these characteristics and price. The key characteristics are then defined as those that are shown to be statistically related to price.

The NI Residential Property Price Index uses this approach to create a standardised property across all the key characteristics that the model identifies. Change over time in the price of the standardised property therefore reflects real change as opposed to changes in the mix of properties sold.

A more detailed explanation of the methodology is available via the following link: http://www.dfpni.gov.uk/lps/index/about-lps/publications/statistics-and-research-publications.htm

3. Data

The Commissioner of Valuation for Northern Ireland has access to returns, typically by solicitors, to HM Revenue & Customs (HMRC) of the details of land and property sales in Northern Ireland.

This includes all domestic property sales as well as non-domestic property sales, land sales and property rentals in Northern Ireland. However, there are a small number of property sales which do not require notification to HMRC, these include:

- transactions where no money changes hands;
- property that's left in a will; and
- transfers of property in a divorce or when a civil partnership is dissolved.

In the modelling of prices each sale is combined with the property characteristics held in the Valuation List database. These characteristics include:

- Size of property (living space)
- Class of Property (Private/Public Sector)
- Type of Property (Detached, Semi-Detached, Terrace, Apartment)
- Location (Housing Market Areas and Neighbourhood)
- Neighbourhood of property (Acorn Category geo-demographic segmentation of area)

Geo-demographic segmentation is based on two simple principles:

- People who live in the same neighbourhood are more likely to have similar characteristics than two people chosen at random.
- Neighbourhoods can be categorized in terms of the characteristics of the population which they contain. Any two neighborhoods can be placed in the same category, i.e., they contain similar types of people, even though they are widely separated.

4. Omitted Sales Data

There are a number of property transactions recorded by HMRC which are omitted from the analysis as they do not constitute a fully consistent body of data. Namely, property transactions which are sold at prices which may not represent “free” or “arms-length” market prices, for example NIHE sales to sitting tenants etc. There are also a number of sales removed as the price/property type is atypical due to one of the following reasons:

- Sales with a Sale Price less than £20,000
- Sales where Floor size outside identified limits (< $30m^2$, > $1,000m^2$)

5. Calculating percentage changes in the index

The movement of the NI RPPI is expressed as a percentage change. Index point changes are not used as this is affected by the level of the index in relation to the base period.

6. Revisions

The data for the current quarter are provisional. They will be revised, if necessary, during the production of the NI RPPI for the following quarter. It will be necessary to revise if further house sales are confirmed e.g. late sales returns to HM Revenue & Customs.

As a result of more up-to-date data, the Q1 2012 NI Residential Property Price Index has been revised from 93 to 96, therefore indicating that the residential property prices fell by 4% between Q4 2011 and Q1 2012 (as opposed to the 7% reported in the last statistics report) and fell by 10% over the year to Q1 2012 (as opposed to the 13% reported in the last statistics report).

In producing the Q2 2012 figures it became apparent that a minor error had occurred in automating the process for producing the time series for the Apartment Index. The merging process failed to bring in a few of the model coefficients, thus impacting on the standardised price that was calculated. Revising the Apartment Index back to Q1 2005 showed that it peaked in Q2 2007, rather than Q3 2007. As this only affected the calculation of the apartment prices the impact on the overall NI RPPI is very minimal. The background notes contain graphs showing the original and revised Apartment Index and the original and revised NI Residential Property Price Index to show the scale of the impact.

Figure 1: Northern Ireland Apartment Price Index (Q1 2005 – Q1 2012: Original & Revised)

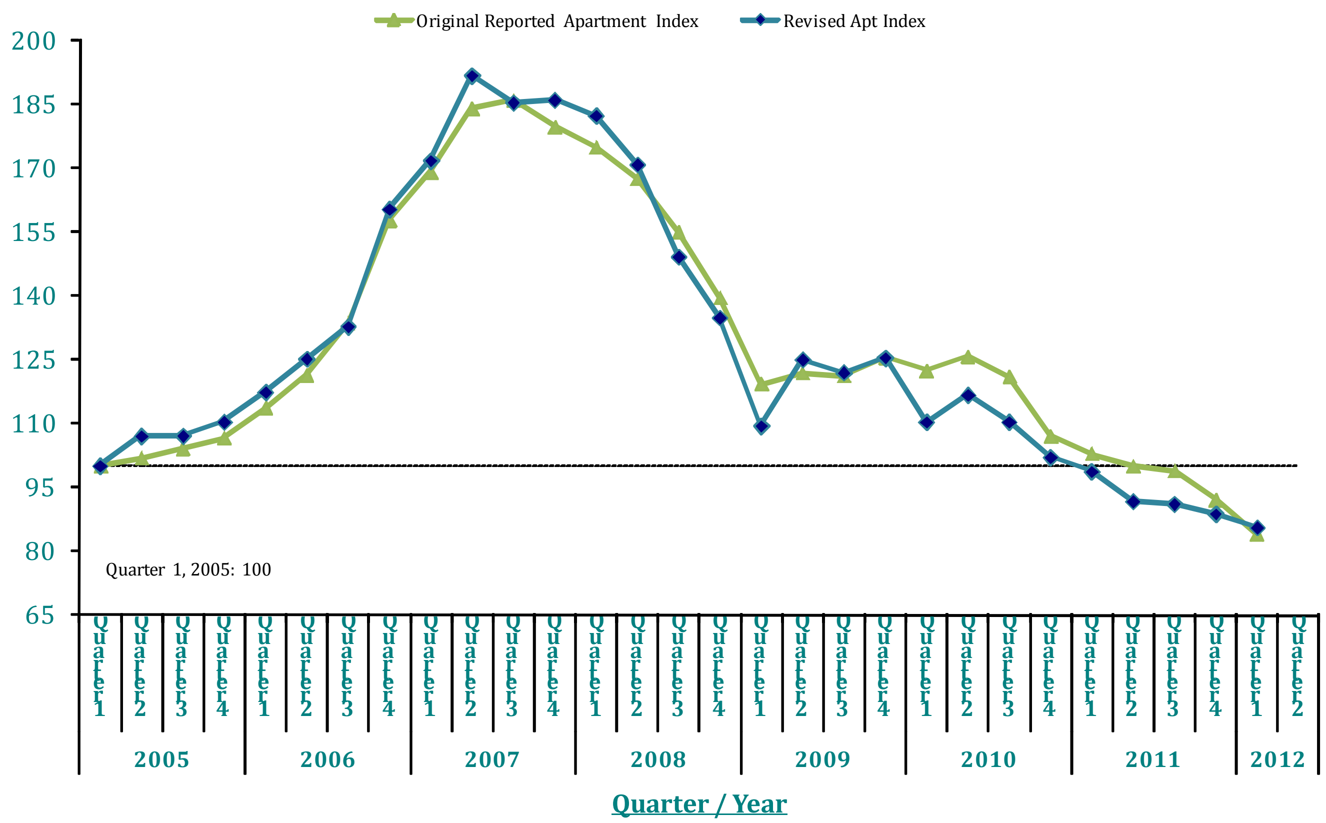


Figure 2: Northern Ireland Residential Property Price Index (Q1 2005 – Q1 2012: Original & Revised)

A Quality Report is under development and will be available on the website in the future.

7. Seasonal Adjustment

The property transaction data have been tested for seasonal adjustment using the US Census Bureau X12-Arima software.

http://www.census.gov/ts/x12a/v03/x12adocV03.pdf

Although the series of house sales passed the 'combined test for identifiable seasonality', the final seasonal factors estimated are close to unity — thus noting little difference between the unadjusted and adjusted series.

In the case of apartment sales, the software found the series *not* to be seasonal. Therefore the NI RPPI as currently published is unadjusted for seasonality. Both series will be tested periodically for seasonality.

8. Regional Areas

The large regional areas in this release correspond to the Local Government Districts (LGD) below:

Belfast: Belfast LGD

Outer Belfast: Carrickfergus, Castlereagh, Lisburn, Newtownabbey and North Down LGDs

East of NI: Antrim, Ards, Ballymena, Banbridge, Craigavon, Down and Larne LGDs.

North of NI: Ballymoney, Coleraine, Derry, Limavady, Moyle and Strabane LGDs.

West & South of NI: Armagh, Cookstown, Dungannon & South Tyrone, Fermanagh, Magherafelt Newry & Mourne and Omagh LGDs.

9. Other Northern Ireland House Price Statistics

Currently there are a number of different sources of house price statistics published in addition to the NI RPPI. There will be differences in the data published by each source as there are differences in both the source data and methodology used. Therefore the NI RPPI is not directly comparable with these other indicators. For completeness the references to the main other house price indices are included below.

A. The Halifax House Price Index

The Halifax produce a UK wide House Price index based on their own mortgage approvals. A regional index for Northern Ireland is also produced on a quarterly basis. The Halifax House Price Index can be accessed via

www.lloydsbankinggroup.com/media1/economic_insight/halifax_house_price_index_page.asp

B. The Nationwide House Price Index

The Nationwide also produce a UK wide House Price index based on their own mortgage approvals. A regional index for Northern Ireland is produced on a quarterly basis. Indices and average prices for the UK and the regions are produced using Nationwide's updated mix-adjusted House Price Methodology. Like the Halifax and NI RPPI this allows a “typical” property to be tracked over time on a like-for-like basis. The Nationwide House Price Index can be accessed via

www.nationwide.co.uk/hpi

C. Bank of Ireland / NIHE Northern Ireland Quarterly House Price Index

The Northern Ireland Quarterly House Price Index is produced by the University of Ulster for the Bank of Ireland and the Northern Ireland Housing Executive. The market evidence is sourced from a sample of estate agents across Northern Ireland. The price statistics are based on simple arithmetic averages. The index produced is weighted to reflect the market share of each property type. The Northern Ireland Quarterly House Price Index can be accessed via

www.bankofireland.co.uk/bank-of-ireland-group/financial-news/boi-house-price-index/

D. Office for National Statistics UK House Price Index

The ONS House Price Index (HPI), previously published by the Department for Communities and Local Government (DCLG), is a monthly release that publishes figures for mix-adjusted average house prices and house price indices for the UK, its component countries and regions. The index is calculated using mortgage financed transactions that are collected via the Regulated Mortgage Survey by the Council of Mortgage Lenders. These cover the majority of mortgage lenders in the UK.

The Office for National Statistics UK House Price Index can be accessed via http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Housing+Market

10. Terms & Conditions

Land & Property Services in conjunction with the Northern Ireland Statistics & Research Agency (LPS/NISRA) produce the NI Residential Property Price Index to high professional standards and free from political interference.

LPS/NISRA or any third party shall not be liable for any loss or damage, direct, indirect or consequential, arising from any inaccuracy or incompleteness of the data in the NI RPPI or any decision made or action taken in reliance upon the data.

Persons seeking to place reliance on the NI RPPI for their own or third party commercial purposes do so entirely at their own risk.

11. Future Publication

The next NI Residential Property Price Index bulletin will be published on Wednesday 21st November 2012.

12. User Consultation

As this is the second release, users' comments or any issues relating to the statistics are particularly welcomed and encouraged. Responses should be addressed to the contact below:

Contact Details

Responsible Statistician:

Mrs Ciara Cunningham

Land & Property Services Statistics Branch

Queen's Court

56-66 Upper Queen St

BT1 6FD

Telephone: 028 9054 3899

Email: **Ciara.cunningham@dfpni.gov.uk**

Media Enquiries:

DFP Press Office

Craigantlet Buildings

Stormont

BT4 3SX

Telephone: 028 90163389

Out of Office Hours: 076 9971 5440

E-mail: DFP Press Office

Annexe 1

Table 1a: Northern Ireland Detached Property Price Index Values

Year	Quarter	NI Detached Property Price Index	Quarterly Change	Annual Change
2005	Quarter 1	100		
	Quarter 2	106	6%	
	Quarter 3	112	6%	
	Quarter 4	115	3%	
2006	Quarter 1	118	3%	18%
	Quarter 2	127	7%	20%
	Quarter 3	139	10%	25%
	Quarter 4	155	11%	35%
2007	Quarter 1	170	10%	44%
	Quarter 2	194	14%	53%
	Quarter 3	208	8%	50%
	Quarter 4	195	-7%	26%
2008	Quarter 1	180	-6%	7%
	Quarter 2	164	-9%	-14%
	Quarter 3	149	-9%	-28%
	Quarter 4	143	-4%	-26%
2009	Quarter 1	125	-13%	-31%
	Quarter 2	129	3%	-22%
	Quarter 3	127	-1%	-15%
	Quarter 4	129	1%	-11%
2010	Quarter 1	126	-2%	1%
	Quarter 2	124	-2%	-4%
	Quarter 3	122	-2%	-4%
	Quarter 4	116	-5%	-10%
2011	Quarter 1	112	-4%	-12%
	Quarter 2	108	-4%	-13%
	Quarter 3	108	0%	-12%
	Quarter 4	106	-2%	-9%
2012	Quarter 1	101	-4%	-10%
	Quarter 2	97	-4%	-10%

Table 1b: Northern Ireland Semi-Detached Property Index Values

Year	Quarter	NI Semi-Detached Property Price Index	Quarterly Change	Annual Change
2005	Quarter 1	100		
	Quarter 2	105	5%	
	Quarter 3	110	5%	
	Quarter 4	115	5%	
2006	Quarter 1	119	4%	19%
	Quarter 2	131	10%	25%
	Quarter 3	144	11%	32%
	Quarter 4	163	13%	42%
2007	Quarter 1	181	10%	51%
	Quarter 2	199	10%	52%
	Quarter 3	201	1%	38%
	Quarter 4	190	-6%	16%
2008	Quarter 1	178	-7%	-2%
	Quarter 2	171	-4%	-15%
	Quarter 3	152	-11%	-25%
	Quarter 4	140	-8%	-27%
2009	Quarter 1	126	-10%	-30%
	Quarter 2	127	1%	-26%
	Quarter 3	127	0%	-16%
	Quarter 4	127	0%	-9%
2010	Quarter 1	121	-2%	-1%
	Quarter 2	123	1%	-1%
	Quarter 3	119	-3%	-3%
	Quarter 4	114	-4%	-7%
2011	Quarter 1	108	-6%	-11%
	Quarter 2	108	0%	-12%
	Quarter 3	105	-3%	-12%
	Quarter 4	102	-3%	-11%
2012	Quarter 1	101	0%	-5%
	Quarter 2	95	-6%	-11%

Table 1c: Northern Ireland Terrace Property Index Values

Year	Quarter	NI Terrace Property Price Index	Quarterly Change	Annual Change
2005	Quarter 1	100		
	Quarter 2	101	1%	
	Quarter 3	109	8%	
	Quarter 4	114	4%	
2006	Quarter 1	118	4%	18%
	Quarter 2	132	12%	30%
	Quarter 3	148	13%	36%
	Quarter 4	168	13%	48%
2007	Quarter 1	188	12%	59%
	Quarter 2	195	4%	48%
	Quarter 3	200	2%	34%
	Quarter 4	191	-4%	13%
2008	Quarter 1	178	-8%	-7%
	Quarter 2	163	-8%	-18%
	Quarter 3	152	-7%	-25%
	Quarter 4	138	-10%	-29%
2009	Quarter 1	127	-6%	-28%
	Quarter 2	127	0%	-21%
	Quarter 3	128	1%	-15%
	Quarter 4	126	-2%	-7%
2010	Quarter 1	116	-6%	-6%
	Quarter 2	112	-3%	-9%
	Quarter 3	109	-3%	-13%
	Quarter 4	103	-5%	-16%
2011	Quarter 1	97	-8%	-18%
	Quarter 2	97	0%	-16%
	Quarter 3	93	-4%	-16%
	Quarter 4	89	-4%	-15%
	Quarter 1	82	-9%	-16%
2012	Quarter 2	85	3%	-13%

Table 1d: Northern Ireland Apartment Price Index Values

Year	Quarter	NI Apartment Price Index	Quarterly Change	Annual Change
2005	Quarter 1	100		
	Quarter 2	107	7%	
	Quarter 3	107	0%	
	Quarter 4	110	3%	
2006	Quarter 1	117	6%	17%
	Quarter 2	125	7%	17%
	Quarter 3	133	6%	24%
	Quarter 4	160	21%	45%
2007	Quarter 1	172	6%	45%
	Quarter 2	192	12%	51%
	Quarter 3	185	-3%	38%
	Quarter 4	186	0%	15%
2008	Quarter 1	182	-5%	3%
	Quarter 2	171	-6%	-13%
	Quarter 3	149	-13%	-22%
	Quarter 4	135	-10%	-29%
2009	Quarter 1	109	-12%	-35%
	Quarter 2	125	14%	-21%
	Quarter 3	122	-2%	-12%
	Quarter 4	125	3%	1%
2010	Quarter 1	110	-5%	8%
	Quarter 2	117	6%	1%
	Quarter 3	110	-5%	-3%
	Quarter 4	102	-8%	-12%
2011	Quarter 1	99	-2%	-9%
	Quarter 2	92	-7%	-20%
	Quarter 3	91	-1%	-16%
	Quarter 4	89	-3%	-11%
2012	Quarter 1	86	-9%	-18%
	Quarter 2	79	-7%	-19%