

LOVE WHERE YOU LIVE REPORT





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How does someone choose where to live?

This is a question of fundamental importance not only to policymakers — who need to plan where to allow new development — but also in a very real sense to those looking to buy a home. Understanding that choice is at the heart of this 'Love Where You Live' report, which focuses on new homes and first-time buyers.

In order to better understand that choice, we undertook a bespoke survey of those active in the housing market. The survey was rolled out on two leading property portals, with almost 3,000 responses over the last 12 months. Of those, nearly 2,500 were actively looking for a home to buy in the near future, with just over half of those first-time buyers. Their budgets ranged from below €100,000 (3% of respondents) to above €500,000 (11% of respondents).

For fully one third of respondents, the COVID-19 pandemic and the lockdowns that came with it changed their opinion on choosing a location to live; something that likely shows up in the amenities they ranked as most important. For a similar share of respondents — 36% — proximity to work is less of a consideration than it had been before the pandemic, while just over half of respondents said that COVID-19 had made them reconsider the need to commute.

From a list of seventeen different factors that can be linked to a location, respondents chose on average seven each.

The Pandemic has made me

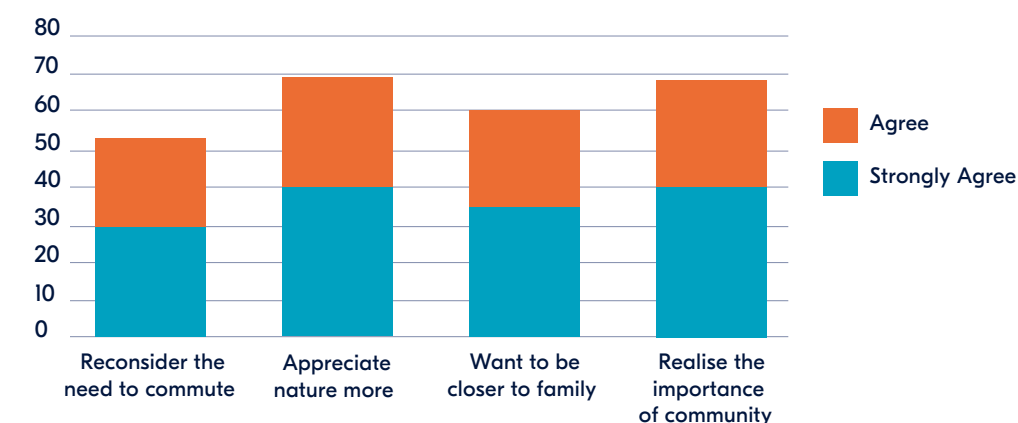


Figure 1.

Two thirds of us agree that the pandemic and lockdowns has shaped not just our relationship with where we work but also with our families, communities and nature. Almost 70% of respondents said that it had made them appreciate nature more — a very similar share to the number that said the pandemic had made them realise the importance of a sense of community in their local area. While six in ten who took the survey agreed with the statement that the pandemic had made them want to be closer to family, as seen in Figure 1 above.

The survey also asked respondents which specific amenities were most relevant to them as they looked for a home. From a list of seventeen different factors that can be linked to a location, respondents chose on average seven each. We condensed those down into shares, to get a measure of the relative importance of the various amenities.



This analysis confirms that nature — green space and indeed blue space amenities — are now front-and-centre for those buying a home. Having parks or walks nearby was chosen by more respondents than any other factor, overall. If anything, despite being free — once you are in an area — this appears to be what economists call 'a luxury good': our appetite for having walks nearby increases with our incomes. First-time buyers were marginally less likely to cite parks/walks than others — and those with a budget of €400,000 or more were most likely to give this as an important factor (11.2% of all factors chosen) compared to those with a budget of less than €200,000 (9.4%). Access to the sea — which was listed separately — was chosen by a further six percent of respondents and confirms the same pattern, with higher income groups more likely to pick this factor.

Other factors that are top of the list when people are choosing their homes include access to a city or town centre and access to the transport network. These are the factors that urban economists would typically think of as being of primary importance in the choice of where to live, and they are a reminder that the fundamental necessity of earning a livelihood has not

We surveyed thousands of Irish people to learn how the pandemic has changed their attitudes towards their ideal place to live.



changed, despite the pandemic. Indeed, access to a city centre shows the opposite relationship to income than access to green space — it was chosen a greater fraction of the time by those with a budget of less than €200,000 than those with larger budgets.

As shown in the graphic, there is a wide range of factors that people use to distinguish between places to live — and perhaps just as importantly a variety across respondents. First-time buyers were more likely to mention childcare and a playground, while other buyers were somewhat more likely to mention access to primary and secondary schools.

Perhaps the most interesting difference across those two groups is the importance of work hubs. While this is still a secondary factor compared to things like access to transport or walks, first-time buyers chose this factor 60% more often than other buyers. This is in line with the impact of the pandemic on people's outlooks, as described above, and suggests that COVID-19 has rewritten the rules somewhat on who will buy where.

With all that in mind, is it possible to think about which areas of the country are the richest in the amenities valued by those looking for a home? Indeed, dare we even do so?! One could argue that this is exactly what price is supposed to do — it makes people think about what they want most out of their new home, and people's actions, in particular what they spend where, tells us in a very real way what people value most.

But we wanted to go one step beyond this and look at which areas have the best access to the amenities that we know to be important from the survey analysis above. To do that, we assembled spatial data on eight different

While Dublin areas dominate the top of the rankings, the most highly-ranked areas are perhaps not the ones people might have expected to see.

amenities. These include access to beaches, to water (including lakes and rivers) and to woods/green space, distance to the train and to the motorway network, distance to schools, the density of employment in an area (relative to the population) and the area's flood risk, as a 'disamenity'.

For each of nearly 400 markets around the country, access to these amenities was calculated, with a market getting a score of 10 if it was in the top 10% of areas for a particular amenity, down to a score of 1 if it was in the bottom 10%. This analysis resulted in a score ranging from 80 to 27 for each of 388 markets around the country.

This gives us a new way to look at areas around the country — and one that can be added to in time, as more spatial data becomes available. While Dublin areas do dominate the top of the rankings, the most highly-ranked areas are perhaps not the ones people might have expected to see. The top four are all on the northside — with East Wall/North Strand and Phibsborough ranking highest of all the areas in the country. While Sandymount, Ireland's most expensive market, is inside the top 50 (just), its amenity score puts it between Palmerstown in Dublin 20 and Salthill in Galway, both markets where the average property price is less than half of that in Dublin 4.

Overall, there is a strong correlation between what might be termed 'amenity wealth' and the price of property — for those interested in the statistics, the correlation coefficient is +77%. But as the example of Sandymount shows despite this strong association between our measure and average price, it is perhaps in the differences between the two series that some of the most interesting things are happening.

For example, ten markets in the country have an amenity score of 50, roughly halfway between top and bottom. But they include markets with very different price points. Three are in Dublin: Ongar, with an average price in 2022 of just over €300,000, Clonee, where prices are closer to €350,000, and Oldtown, where in 2022 the average price rose to €400,000. But another three are far from the capital, including north-east Louth, where prices are on average €200,000, and Milford (in Donegal) and Cavan town. In these latter two markets, average prices in 2022 were still below €150,000.

In some ways, that is the key message of this Love Where You Live report — with variety being the spice of life, pick what works for you!

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IRELAND'S TOP LOCATIONS

The towns and areas best served by the amenities are listed.

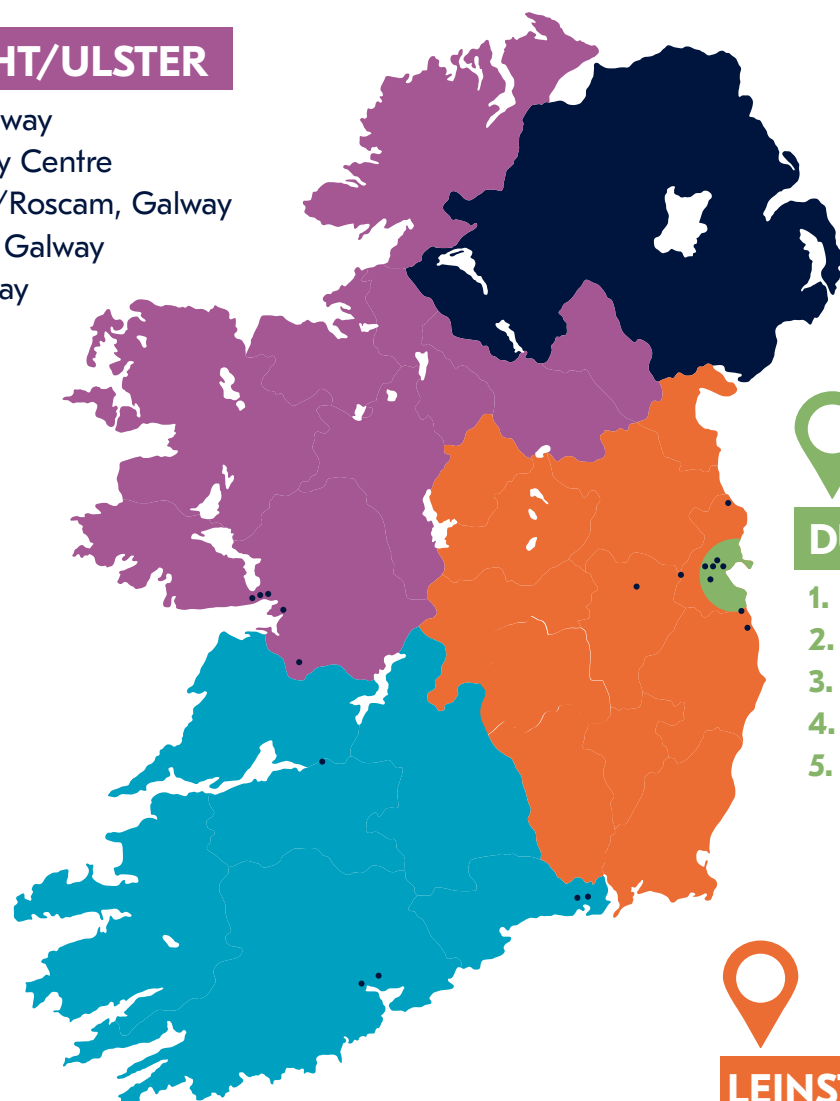
We assessed access to amenities such as beaches, lakes, rivers, woods/green space, as well as distance to train and motorway networks, distance from schools, and density of employment in an area, in relation to the population.

Here's what we found...



CONNACHT/ULSTER

1. Salthill, Galway
2. Galway City Centre
3. Doughiska/Roscam, Galway
4. Oranmore, Galway
5. Gort, Galway



DUBLIN

1. East Wall/North Strand
2. Phibsborough
3. NCR (D7)
4. Drumcondra
5. Portobello



MUNSTER

1. Cork City Centre
2. Ferrybank, Waterford
3. Glanmire, Cork
4. Annacotty, Limerick
5. Waterford City, Waterford



LEINSTER

1. Bray, Wicklow
2. Leixlip, Kildare
3. Gormanstown, Meath
4. Kilcock, Kildare
5. Greystones, Wicklow

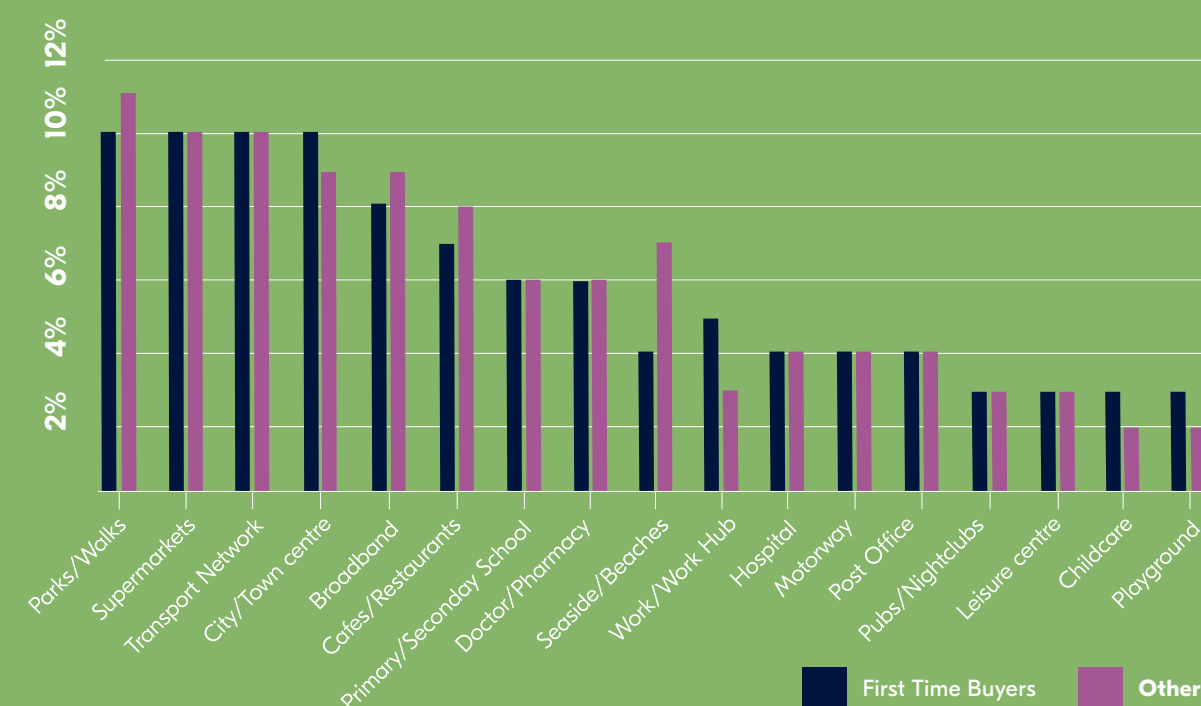
Love WHERE you live

Do you live in one of IRELAND'S HIGHEST RANKING AREAS?

More than 3,000 responses, and over half from first-time buyers

In order to better understand the preferences of Ireland's homebuyers, we undertook a bespoke survey, with almost 3,000 responses in H2 '21 and H1 '22. They covered everything, from transport links to nature and the outdoors, to simply being nearer to our parents and siblings. But how do we value each as a nation, and where do they rank? In many cases, the results were surprising.

IRELAND'S TOP AMENITIES:

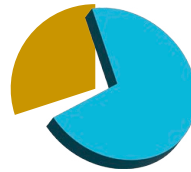




"I appreciate nature a lot more"

This was a very similar share to the number that said the pandemic had made them 'realise the importance of a sense of community in their local area'. Reconnecting to both was a major theme in the results we saw.

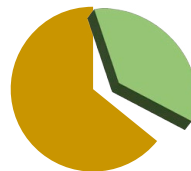
70% said they wanted to feel closer to nature



"I've really reconsidered my commute"

For over a third of the buyers we heard from, proximity to work is now less of a consideration than it had been before the pandemic, while just over half of respondents said that the pandemic had made them reconsider the need to commute.

36% were less concerned about living close to work



"I definitely want to be closer to family"

An overwhelming majority of those surveyed agreed with the statement that 'the pandemic had made them want to be closer to family', something that certainly feels true after the long and difficult few years we've all been through.

60% said they wanted to be closer to their families



While Dublin areas come out on top, the highest-ranking are perhaps not the ones you would most expect to see

The top four were all on the northside, with East Wall/North Strand and Phibsborough ranking highest of all the areas in the country.

How our scoring system worked.

For each of nearly 400 markets around the country, access to amenities was calculated, with a market getting a score of 10 if it was in the top 10% of areas for a particular amenity down to a score of 1 if it was in the bottom 10%. This analysis resulted in a score ranging from 80 to 27 for each of 388 markets around the country.

SHRUBS over PUBS

Buyers are 3x more likely to favour proximity to nature vs. nightlife when considering a new property



Green areas in general have become much more central to the choice of where to live.



Selected Amenities

From a list of seventeen different factors, respondents chose on average seven each. These were then condensed into shares, to try and measure the relative importance of each.

Proximity to Nature

Our analysis confirmed that green and blue space amenities are now front and centre for those looking to buy a home.

- Having parks or walks nearby was chosen by more respondents than any other factor, overall.
- Access to the sea — which was listed separately — was chosen by a further six percent of respondents and confirms the same pattern.
- We found that higher income groups were more likely to pick these factors.



Access To Urban Areas

These factors are what urban economists would typically think of as being of primary importance in the choice of where to live, and they are a reminder that the fundamental necessity of earning a living has not changed, despite the pandemic:

- Access to a city or town centre
- Access to the transport network

Love where you live

How 'Stage of Life' Factored In

There are a wide range of factors that people use to distinguish between places to live, often depending on their stage of life:



First-time buyers were more likely to mention childcare and a playground.



Other buyers were somewhat more likely to mention access to primary and secondary schools.

Perhaps the most interesting difference across those two groups is the importance of **work hubs**. While this is still a secondary factor compared to things like access to transport or walks, **first-time buyers chose this factor 60% more often than other buyers.**

This is in line with the impact of the pandemic on people's outlooks, as described above, and suggests that COVID-19 is rewriting the rules somewhat on who will buy where.

The importance of work hubs came up consistently with first-time buyers



In conclusion

A new way to look at amenities in Ireland.

Our 'Love Where You Live' Report has been a fascinating look at the Irish market.

As an exercise, it makes for an interesting temperature check for Irish attitudes as a whole, one that can be added to as more spatial data becomes available.

The past few years have forced us all to reassess how we live, whether it's working from home, or being sure to hold our loved ones that little bit closer. It may also lead us to take a different look at the areas and communities that are most desirable when it comes to life and living.



