

Lack of availability of Finance Remains Key Issue for Property Market

Today 7th December: The Society of Chartered Surveyors Ireland has said that while the announcements made in yesterday's Budget announcement can potentially stimulate the residential and commercial property markets, access to finance remains the key component to any recovery.

The Society pointed to the recent Irish Banking Federation/PwC Mortgage Market Profile which suggested that the volume of lending in quarter three 2011 was down 50 per cent compared to the previous year.

Roland O'Connell, Vice President of the Society of Chartered Surveyors Ireland said that "While we anticipate that the measures announced in yesterday's Budget will stimulate growth in both the residential and commercial property sectors, the lack of access to finance could hamper the effectiveness of these measures. We hope that the bank lending targets will be reached to assist qualified buyers and investors in accessing credit which will create transactions in the market and tax revenue for the exchequer".

The Society also said that the Government's decision not to interfere with pre-2010 commercial leases was important from an international investor perspective.

"We are pleased that international investors now have a large degree of certainty in relation to existing commercial lease agreements and we hope this will stimulate investment and job creation in Ireland". Said O'Connell.