



Karl Deeter

When the fuse runs out on rent controls,

prices in the 'pressure zones' will explode

Rent controls are not the cure to tenants' ills

Rent control is a false god. That any of its adherents are still around is testimony to the stubbornness of false logic surviving in the face of facts. Rent controls are used all over the world and have the purpose of protecting tenants from unfair – and sometimes unlawful – price increases or tenancy terminations. Their consequences are widely covered, they work to the extent that incumbents benefit but, typically, new entrants don't.

In Ireland, we skipped over that risk by imposing controls on the price that passes from one tenancy to the next, irrespective of the fairness of the price. For this reason, I am sure that, soon enough, we'll see a lease-sellers' market where tenants moving out ask the new lodger for what amounts to 'key money'.

This is likely in tenancies where the current rent is substantially below market rent. If a tenant is moving on, why not advertise to sublet privately and if the market rent is €1,400 a month, but you have secured it for €1,000, you ask for, say, €1,000 in cash, or whatever price tickles your fancy to pass the lease onwards?

There is nothing to prevent this from happening, because while 'covering all bases' we forgot the obvious, that landlords are not the only cute hoors in Ireland – everybody is, including tenants.

While some rent control laws have had favourable results, they aren't effective in every region in which they're imposed. An example of this can be seen in Germany (the same Germany is also an example of the success of rent controls). In Germany, any raise in rates above a cumulative total of 20 per cent over a three-year period is prohibited by law, even with extremely low vacancy rates of below 2 per cent.

Germany's average monthly rent is relatively low compared to other European Union nations. With an average German's monthly earnings almost exceeding €3,400, they rank among the European Union's wealthiest, trailing only Sweden, Switzerland, Netherlands, Luxembourg and Finland.

However, their percentage of monthly income spent on rent stands at an incredibly low 25 per cent, meaning a quarter of the average German's income is spent on housing in one of the most attractive housing markets with one of the lowest vacancy rates.

This is only possible due to the rent controls imposed on landlords who would be happy to increase rents. While that may increase vacancy rates (which remove the effective locational squatter rights based on when a person moved to an area) in the process, it would also hasten new investment.

In Ireland, our government-led price setting is being implemented in "rent pressure zones" such as Dublin and Cork, and more recently in commuter areas. This outward spread will not change the fundamental issues at play – it will just mask over them for a while, and when the fuse runs out on rent controls, prices in these areas will explode.

Populations continue to rise; people continue to want to move to rent pressure zones. This measure prevents many families from being evicted from their homes due to not being able to pay the increased rates, but passing power to the incumbents – in the way we have – means the tenants we can't see (those who are locked out) don't get a chance to live anywhere.

They must make do with longer commutes and other arrangements because those who were in the right place at the right time got preferential treatment.

Sweden is another good example for rent control issues and, yes, this is the same Sweden that is also used as an example of how 'great' rent controls are.

The average tenant in Sweden spends roughly 35 per cent of their income on rent, some 10 per cent more than tenants in Germany. In addition to higher rents, Sweden also has an extreme shortage of housing with nine out of 10 Swedes living in a municipality experiencing shortages. Translation: it affects everybody.

Waiting lists for a flat (not a three-bed semi in the location of one's choosing) can take 11 years and more to obtain. People are beginning to use shipping containers as make-shift homes. Sadly, this is not 'fake news'. What is even sadder is that they'll probably put our own 'rapid build' schemes to shame.

Swedish rent control doesn't allow for a raise in rates unless something was done to the apartment to raise the quality of living. So, landlords often complete unnecessary renovations with the agreement of the unsuspecting tenant, and then raise rates under the guise of "enhanced quality of living".

"Renoviction", as it has come to be known, has displaced many families and will continue to do so because any time you make it too rewarding to circumvent rules this is what happens. This is part of why rent control is the cancer and not the cure.

For the most part, rent control is an economically unsound idea, albeit crucial for families who can be pushed past the eviction threshold due to price increases. But the solution is better quantity provision rather than price fixing.

Fewer families are being displaced, but only if you count 'displacement' as being those who have to move out of where they are now. What about the displacement of everybody else who can't move in?

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A private pied-à-terre in the heart of Ballsbridge



The bright, galley-style kitchen

BY TINA-MARIE O'NEILL
PROPERTY EDITOR

Church Mews on Elgin Road in Ballsbridge, Dublin 4 could easily be mistaken for a charming French abode with its private entrance, its bright and modern interior and its lush, gravelled courtyard garden set amid high stone walls and away from prying eyes.

The two-bedroom city pad is right in the heart of Dublin's "embassy belt" and is on the market with Finnegan Menon agent Glenn Burrell at €1.1 million.

The two-storey stone dwelling spans a roomy 104 square metres and incorporates a private gated driveway with space for two cars. Inside, it has an open plan living/dining area, kitchen, utility, guest WC, with two generous bedrooms and a bathroom on the upper floor.

The property is low maintenance and is beside the church of Saint Bartholomew's at the junction of Clyde and Elgin Roads.

Timber double entrance doors open to an entrance hall with marble floor tiles, under-stair storage cupboard, a front gate intercom, recessed wall mirrors, radiator covers, a

coat rail and a fully-tiled contemporary guest WC.

The bright living/dining room to the left of the hall spans the depth of the house and has fawn-coloured deep pile wool carpets.

A white marble fireplace houses a gas fire inset and full-height timber framed, sash windows and double doors open to the gravelled, front courtyard garden.

The room has ample space for a large dining area, it has 5 amp lamp plugs and high spec surround sound wiring and a TV and media system.

A bright, large galley-style kitchen is bathed in natural light from a large roof light, which accentuates the fitted, high gloss white base and wall-mounted units with slim stainless steel handles and its grey marble worktops.

Trendy teal splashback tiles contrast the white and grey units and marble floor tiles, and the room's extensive range of integrated, quality appliances are included in the sale.

An adjacent utility press houses a Smeg washing machine and Maytag dryer.

Upstairs, the master suite at the front has fitted wardrobes, two Velux roof windows and french doors that open to a Juliet-style balcony.

The room has luxurious wool carpets, surround sound and an attic hatch.



Church Mews on Elgin Road in Dublin 4



The master bedroom with french doors and balcony



The living room with white marble fireplace

The second bedroom is similarly decorated and has a skylight balcony over the kitchen area below.

The generous main bathroom suite is fully tiled in pale cream and has a contemporary, white suite, including a Jacuzzi bath with an overhead power shower

and a glass shower screen, a TV recessed into the tiled wall, a large, interior-lit glass-top sink and cabinet unit, a backlit, mirrored and wall-mounted vanity unit.

The conveniently located residence has a distinguished list of neighbours, including the US, Ukrainian, Belgian and

Kenyan embassies as well as being close to Ballsbridge's trendy eateries, pubs, the RDS and the Aviva.

The mews is within easy walking distance of the city centre, Donnybrook, St Stephen's Green and many of Dublin's principal places of business including Merri-

on and Fitzwilliam Squares and the Silicon Docks area at Grand Canal Dock.

Herbert Park is within a short walk and the property is within a 15 minutes drive of the airport via the Port Tunnel. To arrange an appointment contact the agent at 01-6147900.

Three-bedroom Ranelagh period home for €1.1m

BY TINA-MARIE O'NEILL

Set within a two-minute stroll of Ranelagh village's main thoroughfare, this three-bedroom period redbrick on Beechwood Avenue Lower is likely to attract interest from families and downsizers looking to live in a trendy and convenient location in Dublin.

No 20 is being sold by Douglas Newman Good and is on the market in turn-key condition with an asking price of €1.1 million. The 171 square metre home has been remodelled, extended and upgraded to offer a mix of classic period features with modern comfort and luxury.

Set behind mature and private hedging, a smart period front door with a fanlight opens to an entrance hall with solid walnut floors, a covered radiator, high ceilings, cornicing, a picture rail and a storage closet.

An elegant drawing room with an original cast iron fireplace, original, painted floorboards, partial wainscoting and extensive fitted bookcases, shelves and storage units, is to the right of the entrance overlooking the front, gravelled garden.

The hall leads down to a wetroom, a cloakroom, a family/dining room, a large kitchen, utility, family room and office/playroom at garden level.

The fully tiled wetroom has a walk-in power shower with a Rainbow shower head and recessed lighting.

The family/dining room has solid timber floors, a feature



A large family room opens onto the garden



The garden is laid mainly in lawn with a paved patio area



The dining room with marble fireplace and solid timber floors



Three-bedroom period redbrick on Beechwood Avenue Lower in Ranelagh, Dublin 6



The kitchen has a central island

marble fireplace with a cast iron inset and brass hood and recessed lighting, while the bespoke kitchen was fitted by Blackrock Kitchens two years ago and is hand-painted in Farrow and Ball Purbeck stone. It's complemented by polished quartz worktops, has a central island and an extensive range of high-end integrated appliances.

The adjoining utility room has additional storage cup-

boards and shelves and is plumbed for a washing machine and dryer.

At the rear of the house is the family room with double doors leading to the garden and another door opening to the playroom/office, which has solid walnut floors, fitted bookshelves and dual aspect windows overlooking the rear garden.

Upstairs, there are two large double bedrooms overlook-

ing the rear of the property. Both rooms have original cast iron fireplaces. One has fitted wardrobes and engineered Ash timber floors.

The family bathroom and master suite are on the first floor return. The bathroom has a free-standing bath, cream floor tiles and partially tiled walls while the master suite has a walk-in wardrobe, a shower room with glass effect wall tiles and a step-in electric shower and stairs leading to the main bedroom in the converted attic space at the top of the house overlooking the rear garden.

The split-level back garden is walled and laid mainly in lawn with a paved patio area and a Barna shed. No 20 comes with ample on-street parking and is close to some of Dublin's best schools, is on the Luas Green line and is within a few minutes commute of the city centre.

More details are available from DNG's city centre branch at 01-6794088.