

News Letter

Belfast apartments: 'Property myth led to inflated prices'



Belfast apartments

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THE dispute over paying for flats has its origins in the "ridiculous myth" that property was a one-way bet, according to a City of London financial planner.

Jonathan Davis said that many of the Belfast apartment buyers had paid inflated prices because they had been caught up in this flawed belief.

Mr Davis, who predicted the crash in 2007, also said that it was "inevitable" that the taxpayer would end up paying for the crisis.

Mr Davis, who believes house prices in Northern Ireland have further to fall, said: "An investment that cannot lose has not been invented.

"If anyone says you cannot lose with gold, with shares, with government stock, whatever, they are either deluded or trying to sell you something.

"Asset classes can go up on a rising trend for 10 or 20 years, but they can also go on a falling trend for 20 years.

"A run of rising values tempts more people to come on board, thus inflating the bubble further, meaning that the fall will be all the greater, when it comes.

"Northern Ireland property was a stereotypical bubble and that is one of the reasons I believe it has further to fall."