

# House Price Index

## Scotland

Under embargo until 00:01

Friday 21st December 2018

OCTOBER  
2018Average House Price  
in Scotland

£184,569

AVERAGE MONTHLY CHANGE:

1.0%

AVERAGE ANNUAL CHANGE:

5.5%

## Bucking the trend: Scotland sets a new peak average house price

- As England and Wales struggle, Scotland sets a new peak average price
- Annual growth hits 5.5%, the highest level since April
- Edinburgh sees double digit growth
- 26 of 32 authorities see prices rise over the year

### Headline news

The Scottish market continued to power ahead in October and set a new peak average price for the country. Prices were up 1% in the month, increasing by more than £1,850 to £184,569. That is the highest level ever, above even the March 2015 peak set by the spike in prices immediately ahead of the introduction of the Land and Buildings Transaction Tax (LBTT).

Annual price growth in Scotland also ramped up in October, rising from 4.4% to 5.5%, its highest rate since April. That is five times the average price growth (1.1%) seen in England and Wales in October.

### Quick Quotes

Christine Campbell, Your Move managing director in Scotland, said: "Setting a new peak average price at a time when many parts of the UK are struggling to maintain prices is a significant show of strength from the Scottish market. Scotland continues to defy the pessimists."

Alan Penman, business development manager for Walker Fraser Steele, one of Scotland's oldest firms of chartered surveyors and part of the LSL group of companies, said: "Despite any uncertainty surrounding Brexit, the Scottish market could hardly hope for a better position from which to face whatever challenges the next few months bring."

### Key Insights

Unlike the surge in 2015, which was the result of purchasers of high value properties rushing to buy ahead of the introduction of the LBTT, there are no special circumstances to explain the new peak average price in Scotland. The number of sales of high priced properties (above £750,000) in Edinburgh in October was about average – 24, against 22 in the same month last year, and below the 31 in 2016.

Instead, the rise is the result of a gradual increase (with a few bumps along the way) over the last three years, and, most recently, a turnaround that has seen a return to monthly increases after falling prices during the summer.

The rise is also broad-based, with increasing prices across Scotland. Crucially, that includes the big cities of Edinburgh – where prices were up 1.7% in October and 10.1% on the same time a year ago to £285,077 - and Glasgow, which set a new peak average price of £164,689 in the month, and where prices have increased 9.1% on an annual basis. Together the two cities make a significant contribution to the overall figures in Scotland.

Several other areas are showing real strength too. East Dunbartonshire, second in prices only to the capital, also

*continued on page 2>*

### Key Insights continued...

saw a new peak in October, with strong growth, up 2.6% for the month and 7.7% annually. So too did both Argyll and Bute, and Angus (with annual growth of, 10.7% and 11.3%, respectively). Even they couldn't match either Clackmannanshire with prices up 3% in the month and 11.9% annually, or Na h-Eileanan Siar, still the cheapest area in Scotland, despite prices up 12.0% in the last year. Despite a context of relatively few transactions, five local authority areas in Scotland still saw annual house price growth of over 10% in October. For comparison, only one local

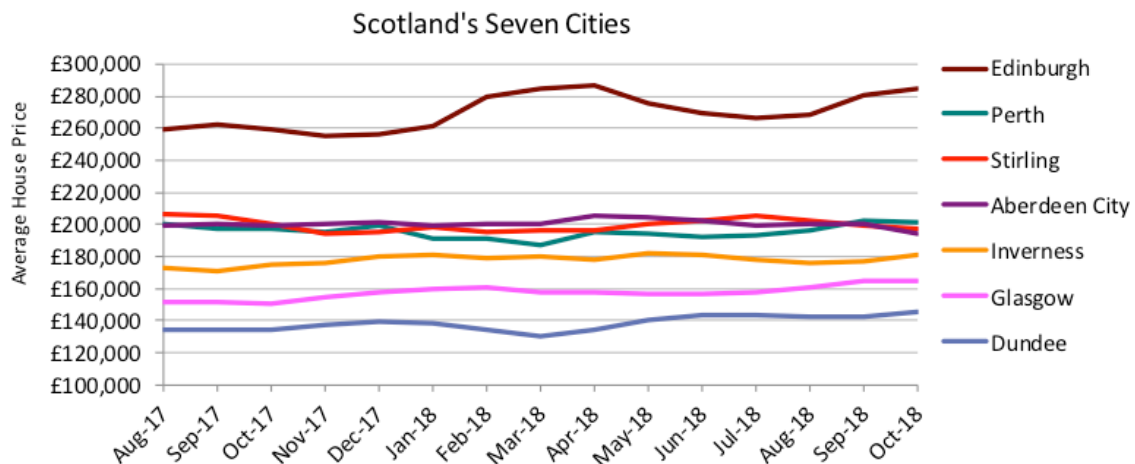
authority area in England saw price growth of over 10% in the same month.

Despite the growth, the market is not entirely immune to Brexit uncertainty. While much of the increase in prices is supported by low mortgage rates, good wage growth and high employment, it is also due to short supply. Buyer demand is strong, but uncertainty means sellers are in no hurry to put their properties on the market.

### Average House Prices in Scotland for the period October 2017 - October 2018

MONTH	YEAR	HOUSE PRICE	MONTHLY CHANGE %	ANNUAL CHANGE %
October	2017	£175,014	0.0	3.2
November	2017	£175,553	0.3	3.4
December	2017	£176,969	0.8	4.4
January	2018	£178,566	0.9	5.5
February	2018	£181,501	1.6	7.1
March	2018	£182,945	0.8	7.5
April	2018	£183,556	0.3	6.6
May	2018	£182,978	-0.3	5.4
June	2018	£181,580	-0.8	4.1
July	2018	£180,672	-0.5	3.7
August	2018	£180,477	-0.1	3.4
September	2018	£182,715	1.2	4.4
October	2018	£184,569	1.0	5.5

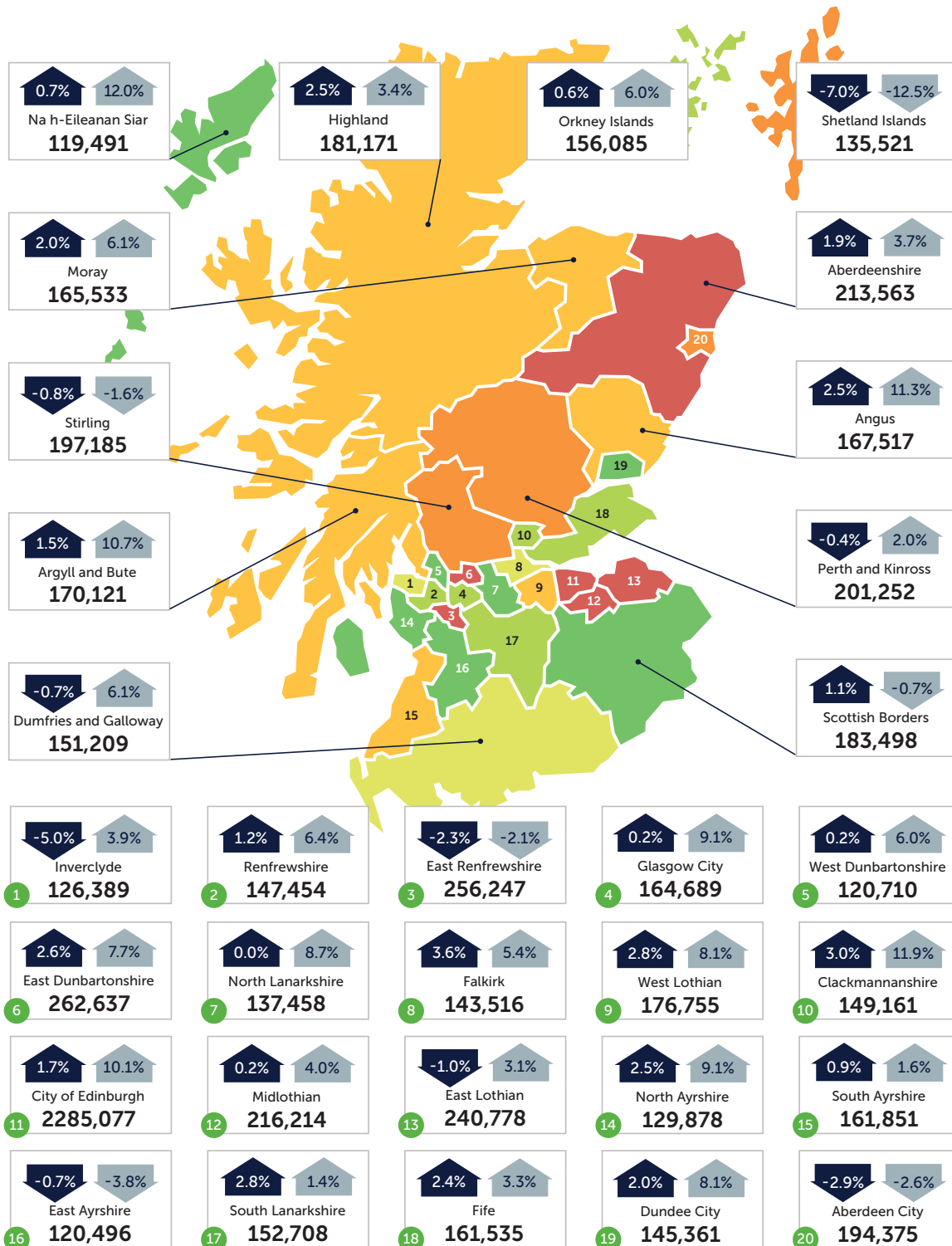
### Average house prices for Scotland's seven cities from August 2017 - October 2018



# Regional update

Average House Prices in Scotland, by local authority area, comparing October 2017 and September 2018 with October 2018.

AVERAGE MONTHLY CHANGE AVERAGE ANNUAL CHANGE



For more information please contact:

Charlotte Merlin-Jones, Rostrum Agency  
 Melanie Cowell, LSL Property Services  
 Richard Sumner, Acadata

020 7440 8686  
 01904 698860  
 020 8392 9082

c.merlin-jones@rostrum.agency  
 melanie.cowell@lslps.co.uk  
 richard.sumner@acadata.co.uk

For downloads see: <https://www.your-move.co.uk/media-centre>  
 For full report and methodology see: <http://www.acadata.co.uk/acadataHousePrices.php>