

House Price Index

Scotland

Under embargo until 00:01

Friday 16th November 2018

SEPTEMBER | Average House Price
2018 | in Scotland

£184,030

AVERAGE MONTHLY CHANGE: **1.9%**

AVERAGE ANNUAL CHANGE: **5.1%**

Scotland house prices see gradual pick up

- Annual prices up to 5.1%, from 3.5% in August
- Lack of supply continues to push prices up
- Annual prices up in 26 of 32 local authorities
- Highest annual increase for second month in a row was Inverclyde at 12.2%

Headline news

The Scottish market is beginning to gradually pick up again, with annual house prices rising from 3.5% in August, to 5.1% in September. On the month, the average house gained over £3,400 in value, up 1.9%.

Scotland's performance is in stark contrast to England and Wales, where prices fell 0.1% in September and annual growth languishes well under inflation at 1.1%.

The changes bring the average Scottish house price to £184,030, up more than £7,000 since the start of the year and from £175,070 last September.

Quick Quotes

Christine Campbell, Your Move managing director in Scotland, said: "Whether it's the Brexit deadline or not, there is relatively little stock coming onto market. Many potential sellers are deciding to sit tight and according to RICS, new instructions in Scotland are the lowest in the UK. This is unfortunately largely the reason behind creeping house prices, but it is also resulting in low transaction levels. On the properties that are being sold, these are at the very high end and largely focused in Edinburgh."

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: "Scotland is testing the limits of whether a market can be strong while largely inactive. Homeowners are in no rush to put their properties onto the market, and we're seeing a significant shortage of stock."

Key Insights

Edinburgh and Glasgow account for about a quarter of all housing transactions in Scotland and, given Edinburgh's position as the highest priced local authority in the country, an even greater contribution to average prices. Both, as with Scotland overall, tend to perform more strongly in the summer months, and the fine weather this year has helped. Nevertheless, their performance in the last month is striking.

In Edinburgh prices rose a massive 6.6% in September to £287,473, from £269,673 the month before, bringing the annual increase to 9.6%. That number has been boosted in part by a relatively high number of high value sales, with six sales alone of properties worth more than £2 million in August and September – compared to only four in Scotland in the whole of 2017.

Glasgow, meanwhile, has also grown well, up 3.3% in the month and matching Edinburgh's annual growth. The average price at the end of September of £166,094 is a new peak for the city – making it the only area other than Argyll and Bute (up 3.4% in the month and 12.0% annually) to set a new high-water mark.

The highest annual increase in the country, however, was, for the second

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Key Insights continued...

month in a row in, Inverclyde. It is among the cheaper areas in Scotland, with an average price of £138,074 (though still somewhat above the cheapest area of West Dunbartonshire, where prices are £119,725), but properties in Kilmacolm can sell for almost double those elsewhere in the area. That is helping push up prices overall. Other relatively cheap areas are also performing strongly, however. Property in North Lanarkshire, where prices are on a par with Inverclyde, is up by double figures (10.3%), as are prices in Na h-Eileanan Siar, the second cheapest

area in Scotland (despite a 10.4% annual rise).

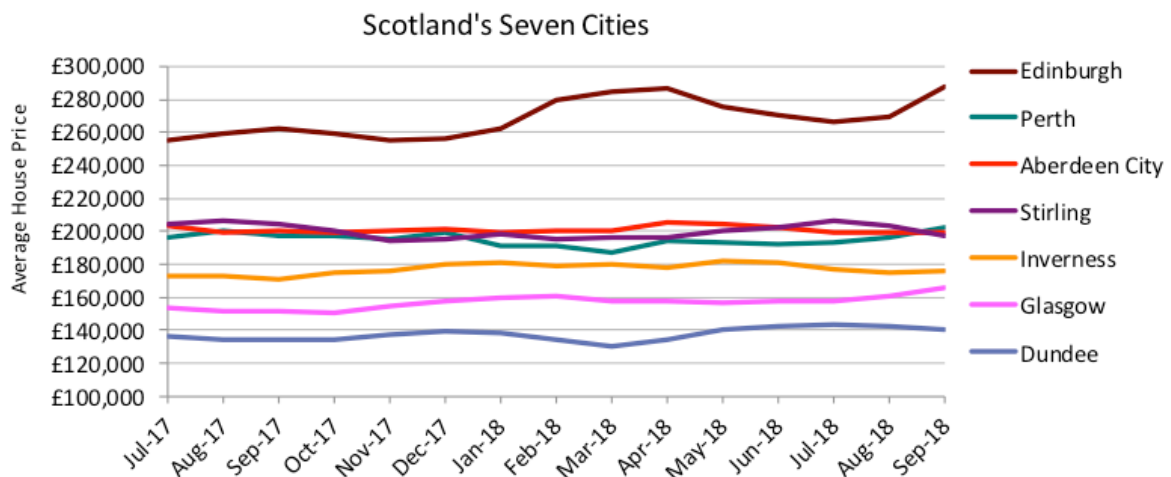
At the top end of the market, meanwhile, East Dunbartonshire, the third most expensive area, and Midlothian, the fifth, are also showing strong, above average growth, with annual prices up 7.5% and 7.9% respectively.

In fact, overall there is strength across the market in Scotland, with annual prices up in 26 out of 32 local authorities.

Average House Prices in Scotland for the period September 2017 - September 2018

MONTH	YEAR	HOUSE PRICE	MONTHLY CHANGE %	ANNUAL CHANGE %
September	2017	£175,070	0.3	4.1
October	2017	£175,027	0.0	3.2
November	2017	£175,574	0.3	3.4
December	2017	£176,990	0.8	4.4
January	2018	£178,591	0.9	5.5
February	2018	£181,516	1.6	7.1
March	2018	£182,960	0.8	7.6
April	2018	£183,596	0.3	6.7
May	2018	£183,039	-0.3	5.4
June	2018	£181,607	-0.8	4.1
July	2018	£180,693	-0.5	3.7
August	2018	£180,626	0.0	3.5
September	2018	£184,030	1.9	5.1

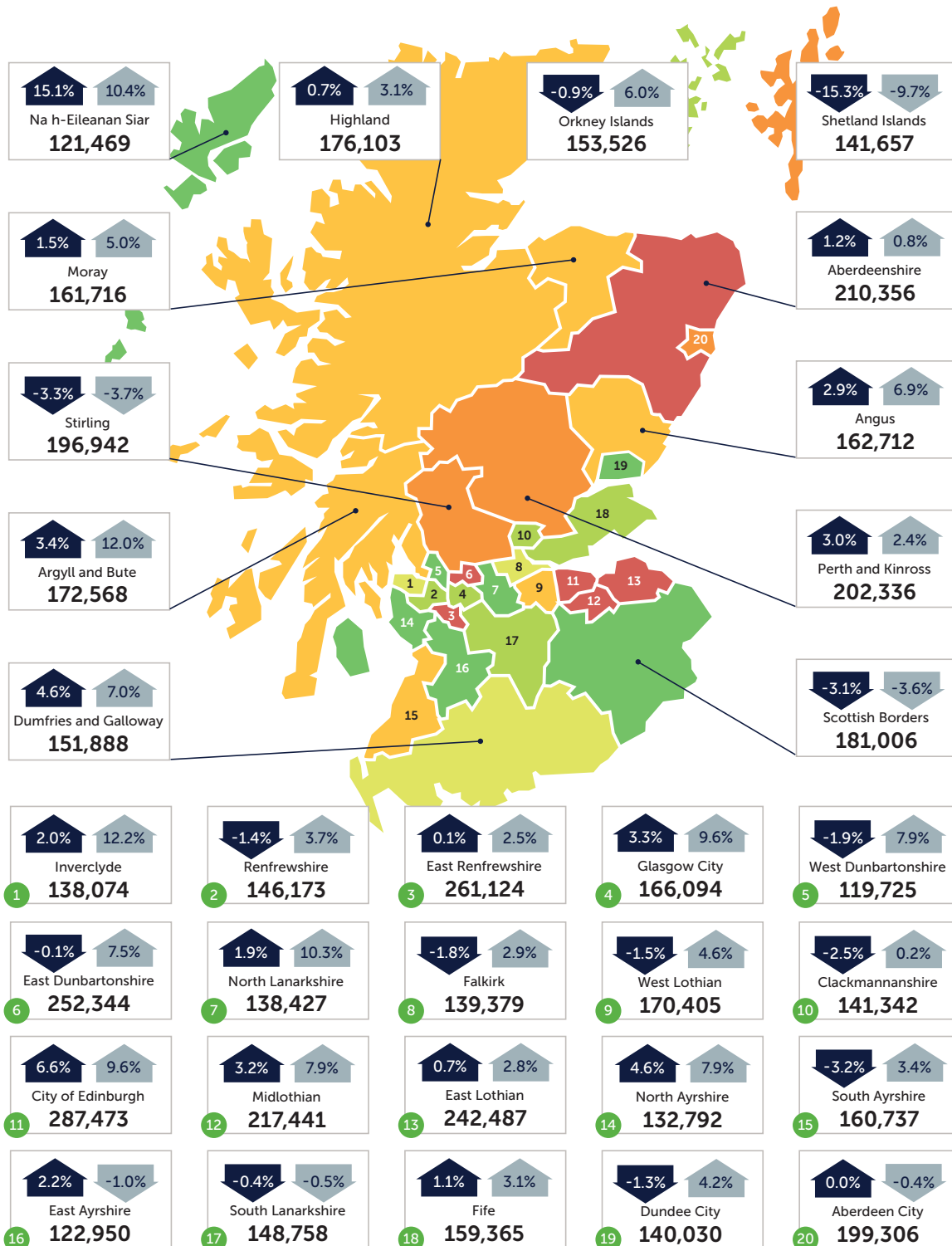
Average house prices for Scotland's seven cities from July 2017 - September 2018



Regional update

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

AVERAGE MONTHLY CHANGE AVERAGE ANNUAL CHANGE



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