

# House Price Index

## Scotland

Under embargo until 00:01

Friday 17th November 2017

SEPT | Average House Price  
2017 | in Scotland

£177,960

AVERAGE MONTHLY CHANGE: 1.4%

AVERAGE ANNUAL CHANGE: 5.6%

## Lack of supply pushes Scottish house prices up faster than rest of UK

- Scotland defies UK slowdown with 5.6% annual growth
- Yet lack of supply coupled with strong demand is factor behind increasing prices across the country
- Only three local authorities see prices decline over 12 months
- Glasgow hits new peak for fourth time this year

### Headline findings

The Scottish market continued to power away in September with a monthly growth of 1.4% which has helped boost annual performance in the country to 5.6%. This is significantly more than any other region in the UK (with the North West closest at 4.6%), and more than triple the growth rate of England and Wales as a whole: 1.7% in September.

The average house in Scotland is now worth £177,960, up £9,383 on a year ago. The increase means prices in the country are growing at their fastest rate in almost three years, excluding the spike ahead of the introduction of the LBTT in April 2015.

### Quick Quotes

**Christine Campbell, Your Move managing director in Scotland, said:** “The strength of the market in Scotland is impressive and, with property still relatively affordable and the economy still growing, it could have some way yet to run.”

**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:** “We’re seeing strength right across Scotland at the moment, but crucially, it’s supported by the big cities. While London is a significant dampener on price growth in England and Wales, Edinburgh and Glasgow continue to show solid performance with above average growth.”

### Key Insights

On the demand side, though interest rates rose in November, the country continues to benefit from historically low interest rates. The economy also remains fairly strong: unemployment is at a 42-year low; the economy is still expanding, albeit at a slowing rate; and the Scottish Government has a number of schemes to help buyers.

Much of that mirrors the rest of the UK. One crucial difference, though, is affordability. The Annual Survey of Hours and Earnings, recently published by the Scottish Government and ONS, shows Scotland’s median full-time earnings are the third highest in the UK, after Greater London and the South East. Our own statistics of median house prices, meanwhile, show Scotland’s are the lowest in Great Britain (at £135,000).

The result is that the country has Britain’s most affordable property. At the same time, the one challenge the market does share with the rest of the UK, is a lack of supply: the RICS Residential Market Survey for September 2017 shows Scotland with the second-lowest number of new vendor instructions in the UK.

*continued on page 2>*

### Key Insights continued...

Coupled with strong demand that's pushing up prices across the country.

Only three of the 32 local authority areas in Scotland have seen price falls over the 12 months ending September 2017: Angus (down 2.6%), Aberdeenshire (down 0.6%) and West Dunbartonshire (down 0.3%).

By contrast, many of the remaining 29 areas have seen strong growth, led by Stirling (up 17.4% annually, and setting a new

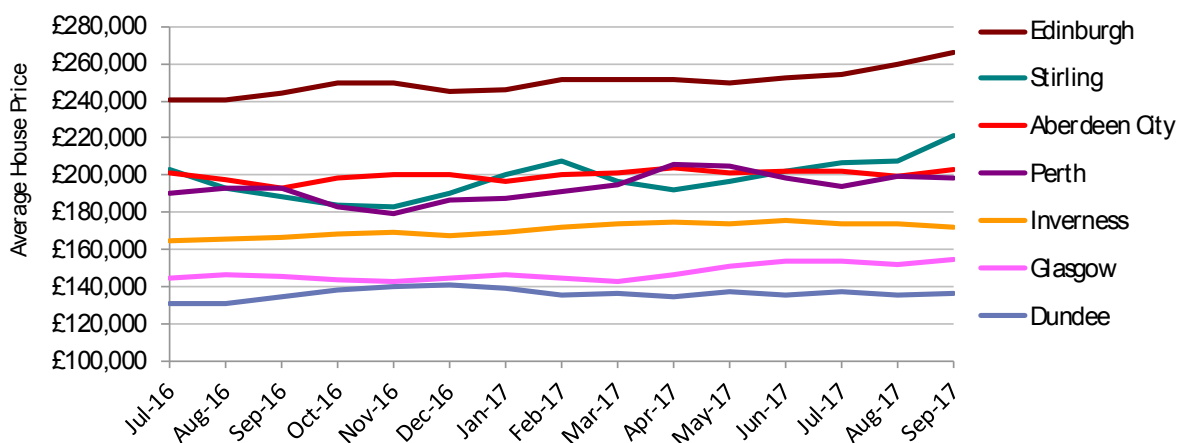
peak average price in the month), the Scottish borders (up 11%, and also setting a new peak), and Clackmannanshire (up 10.1%).

The market's also supported by the strength of its biggest cities, which account for the lion's share of transactions. Both Edinburgh, where prices are up 8.8% annually to £265,846 (the highest in Scotland), and Glasgow, up 6.3%, show solid growth. The latter was also another to set a new peak in September – for the fourth time this year – with prices up 1.8% over the month to £154,522.

### Average House Prices in Scotland for the period September 2016 - September 2017

MONTH	YEAR	HOUSE PRICE	MONTHLY CHANGE %	ANNUAL CHANGE %
September	2016	£168,577	0.2	2.2
October	2016	£169,715	0.7	2.5
November	2016	£169,838	0.1	2.1
December	2016	£169,523	-0.2	1.7
January	2017	£169,423	-0.1	1.6
February	2017	£170,496	0.6	2.8
March	2017	£171,545	0.6	2.1
April	2017	£174,055	1.5	3.0
May	2017	£174,965	0.5	2.9
June	2017	£175,365	0.2	4.2
July	2017	£174,988	-0.2	4.1
August	2017	£175,488	0.3	4.3
September	2017	£177,960	1.4	5.6


### Average house prices for Scotland's seven cities from July 2016 - September 2017

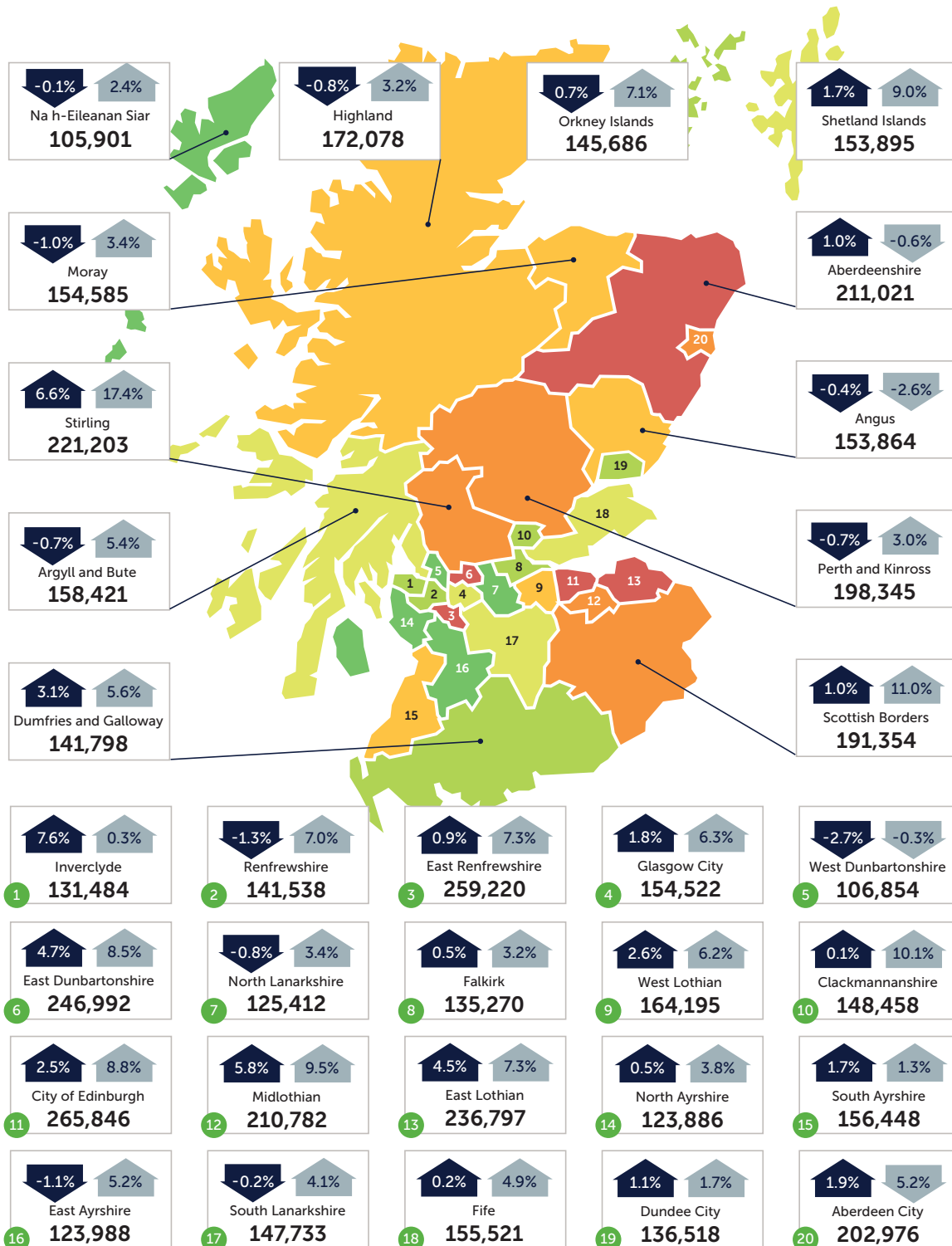


Please note that the Registers of Scotland (RoS) who supply monthly housing data for this Index has experienced technical problems which has had an impact on the methodology and the information provided. Full details can be found at <http://www.acadata.co.uk/acadataHousePrices.php>

# Regional update

Average House Prices in Scotland, by local authority area, comparing September 2016 and August 2017 with September 2017.

 AVERAGE MONTHLY CHANGE  AVERAGE ANNUAL CHANGE



For more information please contact:

Sophie Placido, Rostrum Agency  
 Melanie Cowell, LSL Property Services  
 Richard Sumner, Acadata

020 7440 8678  
 01904 698860  
 020 8392 9082

s.placido@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>