

House Price Index

Scotland

Under embargo until 00:01

Friday 16th March 2018

JAN 2018 | Average House Price
in Scotland

179,448

AVERAGE MONTHLY CHANGE: **1.6%**

AVERAGE ANNUAL CHANGE: **5.9%**

Annual house price growth in Scotland surges to over eight times more than England & Wales average.

- 5.9% annual rate dwarfs England and Wales' growth of 0.7%
- New peak average prices set in nine of 32 local authorities
- Biggest monthly increase in over a decade at 1.6%
- 4.8% price growth in Edinburgh, accounting for over half the monthly increase

Headline news

Annual house price growth in Scotland is now over eight times the rate of England and Wales, including London and the South East, where prices have fallen. In the year to the end of January the latest figures show the average price increased 5.9%, by far the fastest of any UK region. The average property is now worth £179,448, up £10,000 on a year ago.

The increase is helped by a particularly strong month in which prices rose 1.6%. Other than the 9.6% spike in March 2015 ahead of the Land and Buildings Transaction Tax introduction, this is the biggest increase since February 2007 at the height of the last housing boom. The latest figures show the average house increased by £2,800 in the first month of this year alone.

Quick Quotes

Christine Campbell, Your Move managing director in Scotland, said: "Just as the rest of the UK seems to be slowing, Scotland's seeing a minor price boom. And that's down in large part to the performance of the market in both Edinburgh and Glasgow."

"It is still too soon to say what the principal drive behind Scotland's performance is, however there has been an observable pattern that the number of sales on prime properties above £750,000 has increased over the last twelve months. On top of this, there has been a general increase in the price of flats in Edinburgh, likely due to first-time buyers looking for more affordable living solutions in the capital.

"As we move further into 2018, it will be interesting to see how low interest rates, and an increasing shortage of property for sale continue to affect the market north of the border."

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 should welcome the fact that the Scottish market is performing so well. It reflects strong fundamentals and some very attractive areas for buyers. We should also be aware, though, that while we can't say exactly how much of rising prices is down to a tight availability, it's a pressing and continuing problem."

Key Insights

Edinburgh powered the house price growth in January, accounting for the majority of the monthly increase, with prices up 4.8% (second on the mainland only to the Scottish borders, which were up 6.2%).

This reinforces its importance in Scotland's housing market, where it accounts for almost a quarter (23.1%) of the annual increase, on a weight-adjusted basis. Add Glasgow (14.3%), Fife (8.8%) and East Dunbartonshire (6.2%), and these four areas are responsible for more than half the country's price growth.

There is strength across the rest of Scotland, however. In fact, nine out of 32 local authority areas set new peak prices in January. That included Scotland's second most expensive area, East Dunbartonshire, which has seen the biggest annual increase on the mainland (13.5%), taking prices to £260,776; and it includes some of its cheaper areas, such as Renfrewshire (11.8%), Falkirk (12%) and, cheaper

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Key Insights continued...

still, North Lanarkshire (5.1%), where average prices are now £127,654. East Ayrshire is the cheapest area in Scotland (£115,630), though, as well as one of only six to see prices fall in the last 12 months.

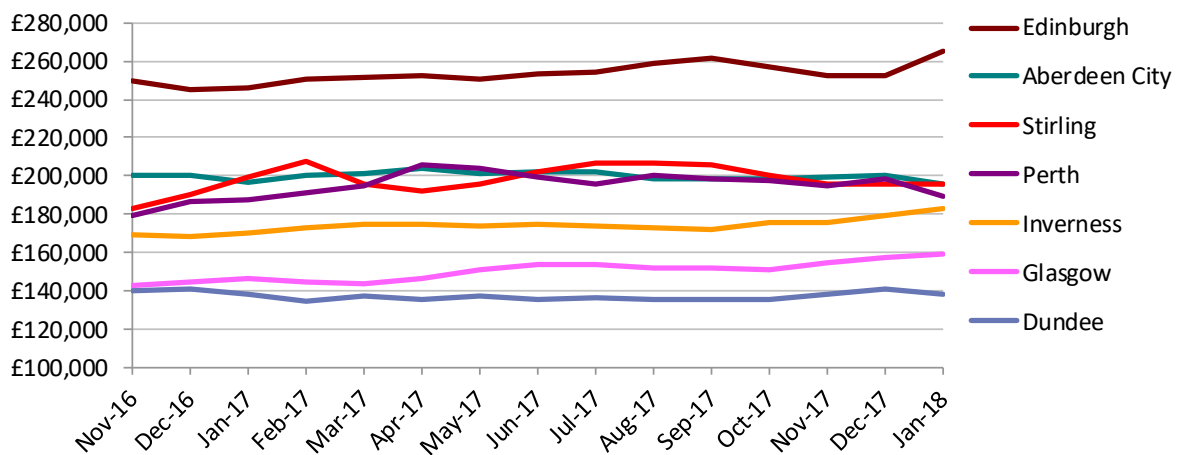
Edinburgh remains the most expensive area, with average

prices up 7.6% annually to £264,903, while the second city, Glasgow, was another to set a new peak average price in the month. Values in the city, which has been the big growth story in the last year in terms of transactions as well as prices, reached £158,851, up 1.1% in the month and 8.4% annually.

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

MONTH	YEAR	HOUSE PRICE	MONTHLY CHANGE %	ANNUAL CHANGE %
January	2017	£169,493	0.0	1.6
February	2017	£170,545	0.6	2.9
March	2017	£171,660	0.7	2.2
April	2017	£174,134	1.4	3.1
May	2017	£175,011	0.5	3.0
June	2017	£175,353	0.2	4.3
July	2017	£174,895	-0.3	4.1
August	2017	£175,072	0.1	4.0
September	2017	£175,718	0.4	4.2
October	2017	£175,232	-0.3	3.3
November	2017	£175,602	0.2	3.4
December	2017	£176,638	0.6	4.2
January	2018	£179,448	1.6	5.9

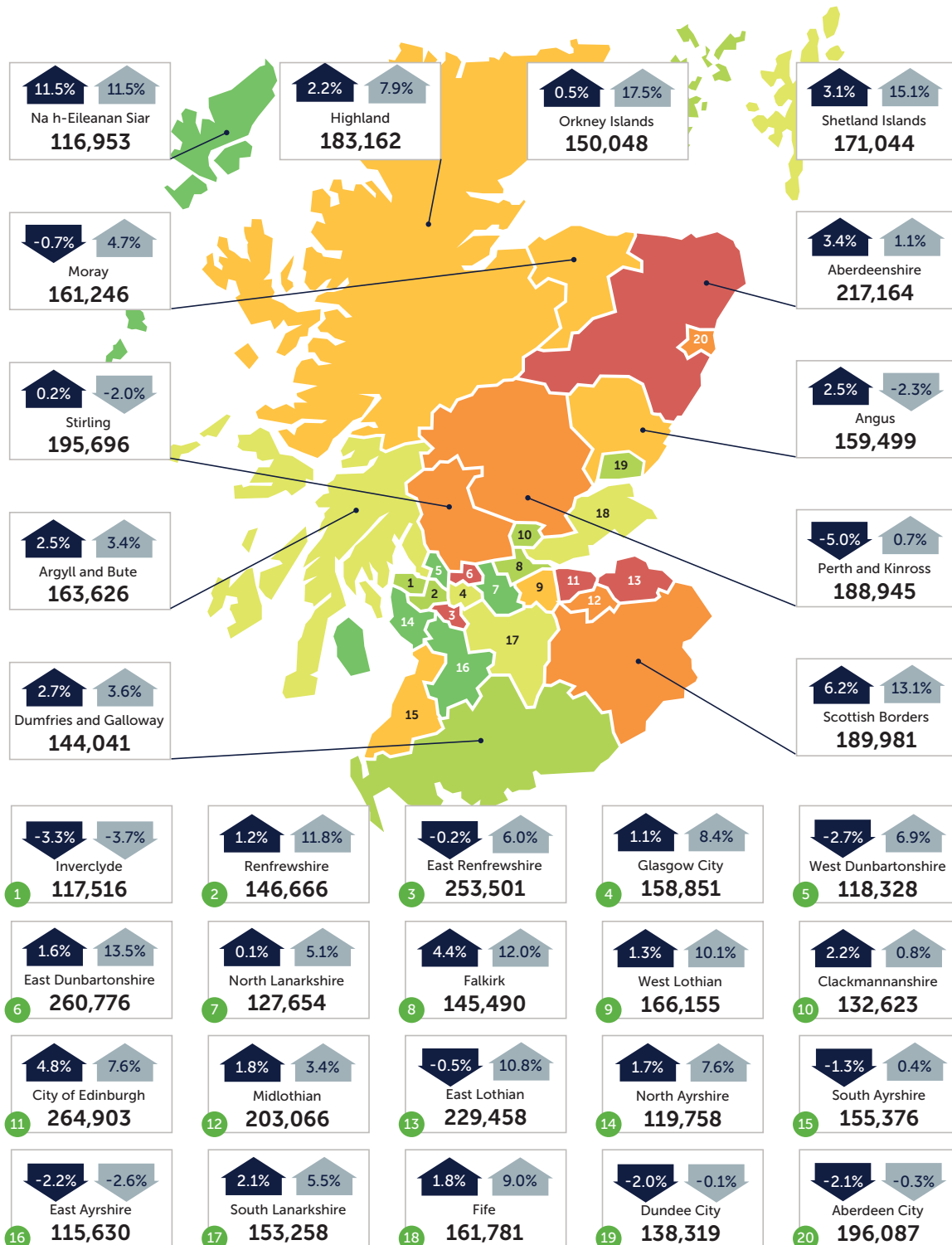
Average house prices for Scotland's seven cities from November 2016 - January 2018



Regional update

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

AVERAGE MONTHLY CHANGE AVERAGE ANNUAL CHANGE



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For downloads see: <https://www.your-move.co.uk/media-centre>

For full report and methodology see: <http://www.acadata.co.uk/acadataHousePrices.php>