



Under embargo until 00:01 Friday 16th June 2017

April 2017

Seven regions reach new peak prices in Scotland

- Glasgow reaches new peak price with six other regions and has the second-highest number of flat sales of any area in Scotland
- Average house price now stands at £175,087
- Annual price growth of 3.6% in April overtakes England and Wales as first reported
- Increased demand from first time buyers and tight supply pushing up prices

| House Price | Index | Monthly Change % | Annual Change % |
|-------------|-------|------------------|-----------------|
| £175,087 | 229.3 | 1.9 | 3.6 |

House prices surged in April in Scotland as the average price of a home rose by £3,217. After stalling in March, prices increased 1.9% – the strongest growth since 2007, if spikes in March 2015 and 2016 as a result of changes to the Land and Buildings Transaction Tax are taken out of the equation.

The average house value increased to reach £175,087 with annual house price growth rebounding strongly, rising from 2.2% in March to 3.6% in April, and now outpacing the rate for England and Wales as a whole (3.5% in the year to April).

Price growth is driven by strong demand coupled with weak supply, most prominently seen in Glasgow, a popular location for first time buyers, which has experienced the strongest annual growth of any significant market in Scotland over the last year.

Christine Campbell, Your Move managing director in Scotland, said: “Our figures highlight that whilst average house prices continue to rise, it is first time buyers who are driving the market as they continue to take advantage of ongoing low interest rates and relatively low deposit requirements. They hold the ‘key to the door’ and as such, are influencing local markets which is leading to greater balance in prices amongst Scotland’s major cities.

“While the election result may have come as a surprise to some, it is imperative that demand for first time buyer properties is met with increased supply through new builds and that confidence in the market is restored to encourage activity across the board.”

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: “While it’s encouraging to see the demand from first time buyers, we need to address the fundamental weakness in supply of housing stock in Scotland, as elsewhere in the country. The elections in June should bring new housing policies and initiatives which we hope will bolster Scotland’s market.”

The strong growth in April reflects both fundamental strength and fundamental weakness in the Scottish housing market. On the one hand, the increase seen in April is driven by significant growth across a broad section of the market, rather than being driven solely by a hike at the top. In fact, sales of high value properties, those over £750,000, continue to trail last year’s totals: just 17 were sold in April, against 27 in the same month last year.

First time buyers are pushing the Scotland housing market, supported by low interest rates and lower deposits required by lenders. A recent Council of Mortgage Lenders’ analysis of Scotland’s market shows the number of first time buyers rising by over a fifth in the first quarter of the year from 6,200 in Q1 of 2016 to 7,600 in Q1, 2017.

At the same time, strong demand is meeting a squeeze on supply. The most recent monthly survey from the Royal Institution of Chartered Surveyors shows surveyors’ average housing stock at an all-time low. This is increasing competition – and prices – for the relatively few properties that are coming onto the market.

House price index: historical data

That plays well to Glasgow's market, which comes just behind Edinburgh in the number of flats sold, and where average prices of £148,245, against £252,758 in the capital, make it considerably more affordable. Economic growth and employment opportunities in Scotland are pushing up property prices in many areas, including here. With access to good schools and a short commuting distance from the city centre, but with average prices in Glasgow still only half of those seen in Edinburgh, affordability continues to drive activity.

Nevertheless, there has been strong growth in local authorities across the price spectrum in Scotland in the last year. At the top end, East Renfrewshire (up 7.5% annually) and East Dunbartonshire (10%) are both showing strong growth, while Edinburgh, up 3.1% annually, remains solid. So, too, further down are not just Glasgow but also Moray (8.0%), Argyll and Bute (10.5%) and the Orkney Islands which led price growth with prices up 17.2%, albeit on relatively few sales. East Renfrewshire, Midlothian, Moray, the Orkney Islands, Glasgow, Renfrewshire and Falkirk all saw new peaks in average prices in April.

Overall, two thirds of Scotland's 32 local authority areas saw prices rise in the month, and 23 of the 32 have seen prices rise over the year. Of those that didn't, Na h-Eileanan Siar has seen the biggest falls in the last year, with prices down 4.7%.

For commentary by John Tindale, Acadata's senior housing analyst, see page 3.

Table 1. Average House Prices in Scotland for the period April 2016 – April 2017
(The prices are end-month smoothed over a 3 month period)

[link to source Excel](#)

| | | House Price | Index | Monthly Change % | Annual Change % |
|------------------|-------------|-------------|-------|------------------|-----------------|
| April | 2016 | £169,058 | 221.4 | 0.6 | -7.9 |
| May | 2016 | £170,083 | 222.8 | 0.6 | -5.2 |
| June | 2016 | £168,221 | 220.3 | -1.1 | 3.6 |
| July | 2016 | £168,011 | 220.0 | -0.1 | 2.7 |
| August | 2016 | £168,251 | 220.4 | 0.1 | 2.5 |
| September | 2016 | £168,545 | 220.7 | 0.2 | 2.2 |
| October | 2016 | £169,700 | 222.3 | 0.7 | 2.5 |
| November | 2016 | £169,762 | 222.3 | 0.0 | 2.1 |
| December | 2016 | £169,454 | 221.9 | -0.2 | 1.6 |
| January | 2017 | £169,476 | 222.0 | 0.0 | 1.6 |
| February | 2017 | £170,736 | 223.6 | 0.7 | 2.9 |
| March | 2017 | £171,870 | 225.1 | 0.7 | 2.2 |
| April | 2017 | £175,087 | 229.3 | 1.9 | 3.6 |

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Further commentary by John Tindale

John Tindale, senior housing analyst for Acadata, comments:

The April housing market

April 2017 has proven to be an extraordinary month for Scotland’s housing market as the average price of a home has risen in the month by £3,217, or 1.9%. This is the largest increase in a single month since June 2007, if one excludes the increases seen in the recent past which were directly related to changes in the Land and Buildings Transaction Tax rates (LBTT). Figure 1 below shows the movement in house prices since January 2015. The two months of March 2015 and March 2016 can be readily identified, in which pre-announced changes to LBTT rates resulted in significant increases in house prices. The graph also demonstrates the exceptional increase in prices that took place in April 2017.

**Average House Prices in Scotland
January 2015 - April 2017 (Not smoothed)**

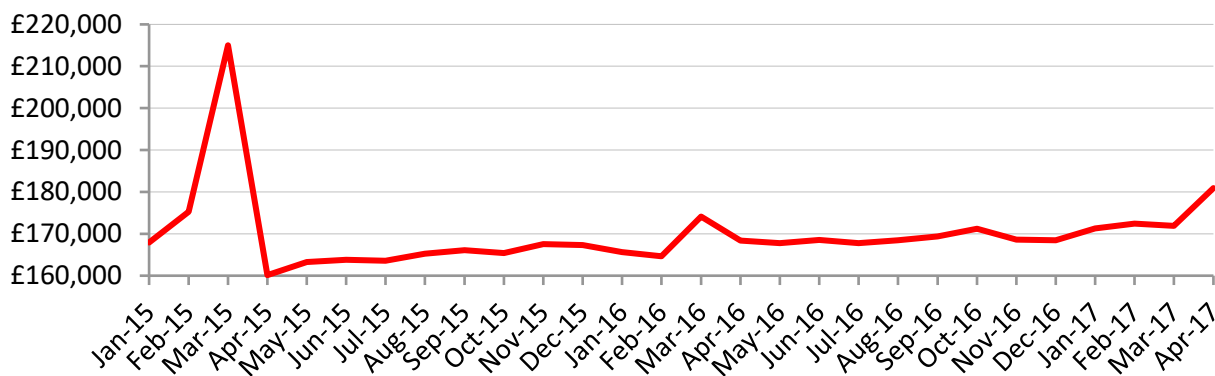


Figure 1. Average House Prices in Scotland, Jan 2015 – April 2017. The series is not-smoothed, mixed and seasonally adjusted [link to source Excel](#)

So what were the causes of the increase in prices in April? The first point to make is that this price movement is not a factor relating to the General Election. Theresa May only announced the intention to hold an election on the 18th April 2017, which did not give time to affect the April housing market. The second point to make is that the increase in average house prices in April did not come about through an increase in purchases at the very top-end of the market. Table 2, on page 4, shows that there were only a relatively modest number of sales of £750k + homes in April.

The CML has recently published its analysis of the make-up of Scotland’s housing market in Q1 2017. This shows that first time buyers during Q1 2017 rose in number from 6,200 in Q1 2016 to 7,600 in Q1 2017, a 22.6% increase. Over this same period, home movers reduced their purchases from 7,300 properties in Q1 2016 to 6,700 properties in Q1 2017, an 8.2% decline. We can reasonably assume that a similar pattern will have occurred in April. The first factor in the increase in house prices is therefore the strong ongoing demand for homes among first time buyers.

In its monthly survey, the RICS (Royal Institution of Chartered Surveyors) reports that the average stocks per surveyor are at an all-time low. There is therefore a lack of new instructions from sellers, which results in a fall in the number of homes to be sold, increasing competition among buyers and putting pressure on prices, for those properties that do come on to the market. Indeed, this is a major factor as to why the CML has noted the fall in purchases by home movers – there are simply not enough properties available to buy.

Our final factor for the price increase in April is the ongoing low level of interest rates that currently prevail, and the increased competition among the lenders to obtain business. As a consequence, there has been a reduction in the level of deposits required by lenders, which is enabling more buyers to enter the market. A recent report from chartered surveyor e.surv found that buyers who put down a small deposit were making up an increasing share of the market. Richard Sexton, a director at e.surv, said “This is a trend which started at the end of last year and has continued into 2017. Likely buoyed by the number of government schemes and low mortgage rates across the board, small-deposit buyers are growing in strength in today’s mortgage market.”

In Table 4 on page 6 we analyse the contribution of each Local Authority Area to the £3,217 increase in average house prices seen in April. Perhaps not surprisingly, Glasgow is shown to be the authority that made the largest contribution to the rise in Scotland’s house prices in the month. Glasgow is a popular location for first time buyers. Just behind Edinburgh in terms of flat sales, Glasgow has the second-highest number of flat sales of any area in Scotland, with the price in 2017 of an average flat at £125k being almost half that of a flat in Edinburgh, at £220k.

Further commentary by John Tindale

Transactions analysis

In January 2017, the latest month for which the official ONS statistics are published, transactions in Scotland totalled 6,239 properties. This total was 2% up on Jan 2016 and 1% up on Jan 2015. It can be seen from Figure 2 below that the number of transactions in January, for the years 2014 - 2017, have all been relatively close – in fact within 6% of each other, whereas in December, for example, there is a 31% variance in the totals for that month, for the years 2014 - 2016.

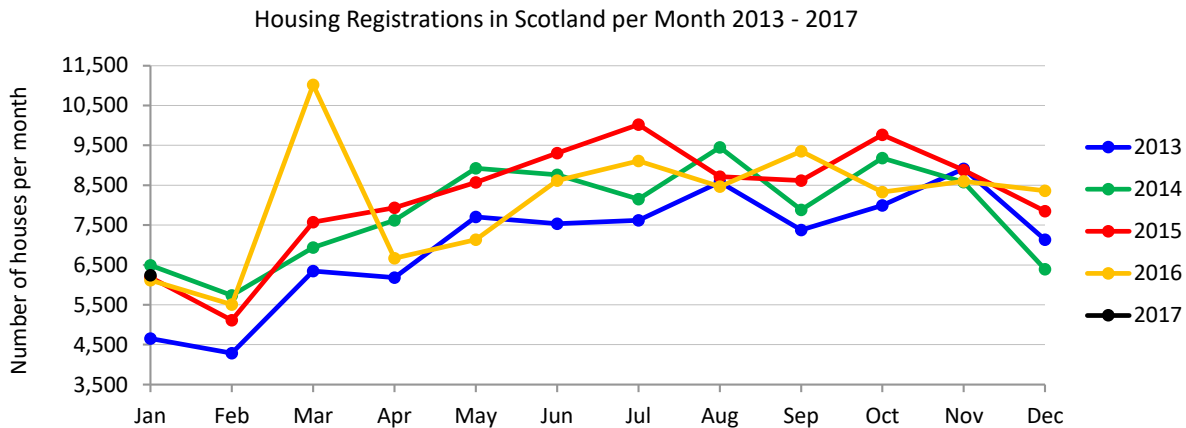


Figure 2. The number of sales per month recorded by Registers of Scotland based on entry date, for the period January 2013 – January 2017. Source: Registers of Scotland. [link to source Excel](#)

One may also be able to discern from Figure 2 that for the years 2013 - 2016, it was 2015 that saw the highest number of transactions for the full year at 98,538, compared to 97,270 in 2016. The fact that 2017 has started the year 1% higher than 2015 is therefore encouraging, even if it is somewhat early days to reach a conclusion about total sales for the year ahead. The RoS quarterly report figures for Q1 2017 suggest that the increase in transactions in 2017 over 2015 has continued to the end of March 2017 – even if the totals used for this report are not based on the official ONS statistics.

In Table 2 below we provide an update on the number of properties having a value of £750k or more that have been transacted in Scotland since January 2015, analysed by month of purchase – with a caution that data for April 2017 are still emerging and will almost certainly be higher than the figure quoted. The choice of £750k as the benchmark price is because this is the level at which the highest rate of LBTT becomes payable on the purchase of a property (currently set at 12%).

Table 2. Number of properties purchased per month 2015 - 2017 having a value of £750k, or higher [link to source Excel](#)

| Sales of £750k+ | | | |
|-----------------|------------|------------|-----------|
| Month | 2015 | 2016 | 2017 |
| 1 | 33 | 26 | 18 |
| 2 | 42 | 20 | 15 |
| 3 | 231 | 59 | 23 |
| 4 | 2 | 27 | 17 |
| 5 | 14 | 21 | |
| 6 | 26 | 47 | |
| 7 | 15 | 36 | |
| 8 | 42 | 54 | |
| 9 | 46 | 44 | |
| 10 | 23 | 53 | |
| 11 | 47 | 37 | |
| 12 | 34 | 22 | |
| Total | 555 | 446 | 73 |

Table 2 is dominated by the large number of sales that took place in March 2015, immediately prior to the introduction of the new LBTT rates. Additionally, there is a similar - but smaller - spike in transaction numbers in March 2016, prior to the introduction of the 3% surcharge in LBTT on second homes and buy-to-let properties.

Clearly, the total number of transactions in 2015 outweighs that of 2016, in fact by 20%. However, looking at the six-month period July – December in both years, 2016 has an increase of 19% in the number of properties sold over £750k, compared to 2015.

What is also apparent, however, from the Table is that since November 2016 each month's total sales of £750k+ properties has been lower than the same month in the previous year. Ignoring the still emerging figure for April, and looking at the period January 2017 – March 2017, sales of high value properties are 47% lower in the more recent period than one year earlier. This reduction in sales is similar to that seen in Kensington and Chelsea (-45%), the highest value borough in London, over the same period. The proposition that the heat has been taken out of the purchase of these more expensive properties, due to the current high rates of LBTT, may yet prove to be correct.

Source: RoS price paid dataset. The dates used in this analysis are those of the legal transfer of the property, as opposed to the application date, which is used by RoS in its own figures.

House prices and transactions

Table 3. Average House Prices in Scotland, by local authority area, comparing April 2016 and March 2017 with April 2017. [link to source Excel](#)

| RANK BY PRICE | PRIOR YR RANK | LOCAL AUTHORITY AREA | Apr-16 | Mar-17 | Apr-17 | % Monthly Change | % Annual Change |
|---------------|---------------|-----------------------|---------|---------|---------|------------------|-----------------|
| 1 | 2 | East Renfrewshire | 242,711 | 242,244 | 260,896 | 7.7% | 7.5% |
| 2 | 1 | City of Edinburgh | 245,106 | 251,882 | 252,758 | 0.3% | 3.1% |
| 3 | 3 | East Dunbartonshire | 227,668 | 240,440 | 250,384 | 4.1% | 10.0% |
| 4 | 5 | East Lothian | 218,581 | 207,391 | 222,581 | 7.3% | 1.8% |
| 5 | 4 | Aberdeenshire | 224,276 | 214,293 | 217,634 | 1.6% | -3.0% |
| 6 | 6 | Aberdeen City | 200,615 | 201,759 | 208,193 | 3.2% | 3.8% |
| 7 | 9 | Perth and Kinross | 191,778 | 194,791 | 202,625 | 4.0% | 5.7% |
| 8 | 7 | Midlothian | 197,328 | 197,781 | 200,716 | 1.5% | 1.7% |
| 9 | 8 | Stirling | 194,698 | 197,915 | 190,094 | -4.0% | -2.4% |
| 10 | 11 | Scottish Borders | 167,062 | 177,404 | 179,174 | 1.0% | 7.2% |
| 11 | 10 | Highland | 174,074 | 174,450 | 173,745 | -0.4% | -0.2% |
| 12 | 12 | West Lothian | 166,028 | 152,924 | 167,062 | 9.2% | 0.6% |
| 13 | 17 | Moray | 152,033 | 159,148 | 164,255 | 3.2% | 8.0% |
| 14 | 18 | Argyll and Bute | 145,090 | 161,097 | 160,331 | -0.5% | 10.5% |
| 15 | 13 | Angus | 157,788 | 160,117 | 158,080 | -1.3% | 0.2% |
| 16 | 16 | Fife | 153,256 | 149,975 | 154,745 | 3.2% | 1.0% |
| 17 | 25 | Orkney Islands | 130,706 | 143,403 | 153,153 | 6.8% | 17.2% |
| 18 | 14 | South Ayrshire | 156,101 | 155,205 | 150,282 | -3.2% | -3.7% |
| 19 | 15 | Shetland Islands | 153,656 | 148,743 | 149,068 | 0.2% | -3.0% |
| 20 | 20 | South Lanarkshire | 138,464 | 150,612 | 148,932 | -1.1% | 7.6% |
| 21 | 24 | Glasgow City | 131,682 | 143,407 | 148,245 | 3.4% | 12.6% |
| 22 | 21 | Clackmannanshire | 135,842 | 143,544 | 145,518 | 1.4% | 7.1% |
| 23 | 19 | Renfrewshire | 139,431 | 134,891 | 144,347 | 7.0% | 3.5% |
| 24 | 23 | Falkirk | 134,137 | 133,735 | 137,824 | 3.1% | 2.7% |
| 25 | 27 | Dundee City | 126,769 | 137,368 | 134,809 | -1.9% | 6.3% |
| 26 | 22 | Dumfries and Galloway | 135,156 | 135,532 | 132,743 | -2.1% | -1.8% |
| 27 | 26 | Inverclyde | 129,077 | 125,160 | 131,557 | 5.1% | 1.9% |
| 28 | 30 | East Ayrshire | 112,670 | 116,028 | 121,439 | 4.7% | 7.8% |
| 29 | 28 | North Lanarkshire | 123,683 | 122,776 | 121,156 | -1.3% | -2.0% |
| 30 | 29 | North Ayrshire | 115,403 | 114,045 | 118,173 | 3.6% | 2.4% |
| 31 | 32 | West Dunbartonshire | 108,076 | 109,145 | 107,487 | -1.5% | -0.5% |
| 32 | 31 | Na h-Eileanan Siar | 108,397 | 107,619 | 103,353 | -4.0% | -4.7% |
| | | All Scotland | 169,058 | 171,870 | 175,087 | 1.9% | 3.6% |

Table 3 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for April 2016, March 2017 and April 2017, calculated on a seasonal and mix-adjusted basis.

Monthly change

On a monthly basis, house prices have increased by a significant £3,217, or 1.9%, over March's level. If we ignore the period in February/March 2015, which was immediately prior to the introduction of the Land and Buildings Transaction Tax, this is the highest increase in house prices seen in a single month since June 2007, some ten years earlier. June 2007 was symptomatic of the widespread housing boom of that year.

Looking at the change in prices in April, of the 32 Local Authority areas, 21 saw prices rise in the month, compared with 16 in March. The highest increase in the month was seen in West Lothian where prices increased by 9.2%. In West Lothian, the average price of detached properties increased by £75k in the month, assisted by the sale of a number of high value properties in Linlithgow – however, only one of these was over £750k and was hence included in our table on page 4.

The second-highest price increase in the month was seen in East Renfrewshire at 7.7%. There are a number of high-value new home developments (in the price bracket £445k - £612k) coming on stream in Newton Mearns, East Renfrewshire, which are helping to maintain the area's number one position in terms of having the highest average house price of all the local authority areas in Scotland.

House prices and transactions

Weighted average increase in prices in April 2017

Given the unusually high increase of £3,217, or 1.9%, in the average price of a home in Scotland in April, we have further analysed the change in prices that took place during the month. In Table 4 below we show the contribution made by each Local Authority Area to the overall change of £3,217 in the month.

Table 4

[link to source Excel](#)

WEIGHTED CHANGE IN AVERAGE HOUSE PRICES IN SCOTLAND IN APRIL 2017

| RANK BY WEIGHTED PRICE CHANGE | WEIGHT | LOCAL AUTHORITY AREA | Mar-17 | Apr-17 | Change in Price in April | Weighted change in Price |
|-------------------------------|---------|-----------------------|---------|---------|--------------------------|--------------------------|
| 1 | 33,752 | Glasgow City | 143,407 | 148,245 | 4,838 | 559 |
| 2 | 8,893 | West Lothian | 152,924 | 167,062 | 14,138 | 430 |
| 3 | 5,240 | East Renfrewshire | 242,244 | 260,896 | 18,652 | 334 |
| 4 | 9,911 | Renfrewshire | 134,891 | 144,347 | 9,455 | 321 |
| 5 | 19,294 | Fife | 149,975 | 154,745 | 4,770 | 315 |
| 6 | 14,218 | Aberdeen City | 201,759 | 208,193 | 6,434 | 313 |
| 7 | 5,576 | East Lothian | 207,391 | 222,581 | 15,190 | 290 |
| 8 | 8,544 | Perth and Kinross | 194,791 | 202,625 | 7,834 | 229 |
| 9 | 5,780 | East Dunbartonshire | 240,440 | 250,384 | 9,945 | 197 |
| 10 | 14,929 | Aberdeenshire | 214,293 | 217,634 | 3,341 | 171 |
| 11 | 8,487 | Falkirk | 133,735 | 137,824 | 4,088 | 119 |
| 12 | 35,776 | City of Edinburgh | 251,882 | 252,758 | 877 | 107 |
| 13 | 5,569 | East Ayrshire | 116,028 | 121,439 | 5,411 | 103 |
| 14 | 5,245 | Moray | 159,148 | 164,255 | 5,107 | 92 |
| 15 | 6,322 | North Ayrshire | 114,045 | 118,173 | 4,128 | 89 |
| 16 | 3,480 | Inverclyde | 125,160 | 131,557 | 6,397 | 76 |
| 17 | 5,156 | Midlothian | 197,781 | 200,716 | 2,935 | 52 |
| 18 | 1,089 | Orkney Islands | 143,403 | 153,153 | 9,749 | 36 |
| 19 | 5,703 | Scottish Borders | 177,404 | 179,174 | 1,770 | 35 |
| 20 | 2,670 | Clackmannanshire | 143,544 | 145,518 | 1,974 | 18 |
| 21 | 941 | Shetland Islands | 148,743 | 149,068 | 324 | 1 |
| 22 | 4,875 | Argyll and Bute | 161,097 | 160,331 | -767 | -13 |
| 23 | 960 | Na h-Eileanan Siar | 107,619 | 103,353 | -4,266 | -14 |
| 24 | 3,933 | West Dunbartonshire | 109,145 | 107,487 | -1,658 | -22 |
| 25 | 12,512 | Highland | 174,450 | 173,745 | -705 | -30 |
| 26 | 6,018 | Angus | 160,117 | 158,080 | -2,037 | -42 |
| 27 | 6,312 | Dumfries and Galloway | 135,532 | 132,743 | -2,789 | -60 |
| 28 | 7,179 | Dundee City | 137,368 | 134,809 | -2,559 | -63 |
| 29 | 15,299 | North Lanarkshire | 122,776 | 121,156 | -1,620 | -85 |
| 30 | 17,262 | South Lanarkshire | 150,612 | 148,932 | -1,680 | -99 |
| 31 | 6,308 | South Ayrshire | 155,205 | 150,282 | -4,923 | -106 |
| 32 | 5,016 | Stirling | 197,915 | 190,094 | -7,821 | -134 |
| | 292,249 | ALL SCOTLAND | 171,870 | 175,087 | 3,217 | 3,217 |

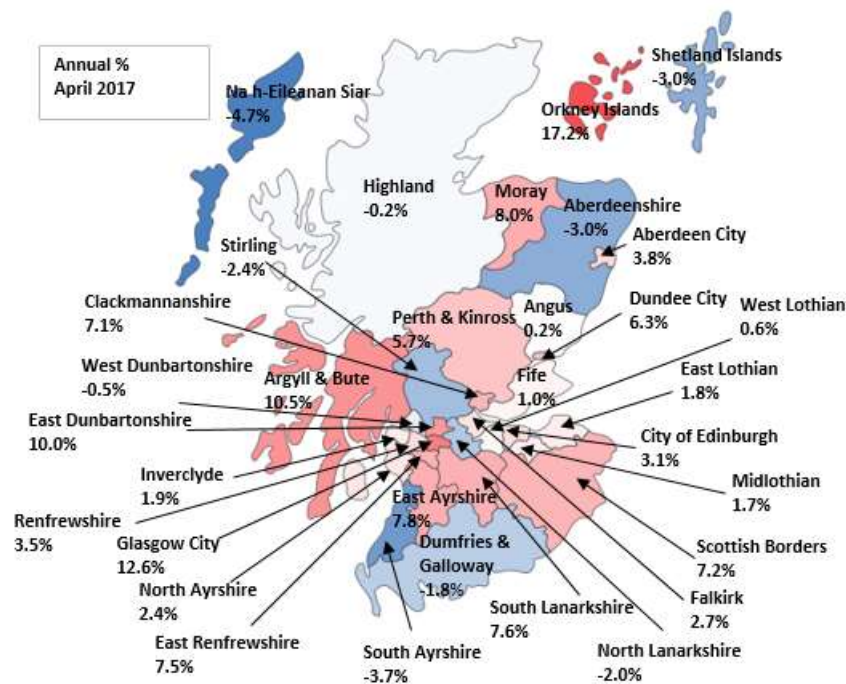
The most significant areas, in terms of the increase in weighted average price in April (and their % contribution to the overall change of £3,217 in the month) were Glasgow City (17.4%), West Lothian (13.4%), East Renfrewshire (10.4%), Renfrewshire (10.0%), Fife (9.8%), Aberdeen City (9.7%) and East Lothian (9.0%). Collectively these seven areas accounted for 80% of the change in Scotland's average house price in the month.

House prices and transactions

Annual change

The average house price at the end of March was £175,087, an increase of £6,029, or 3.6%, over the preceding twelve months.

The highest annual increase in prices by local authority area occurred in the Orkney Islands – however the Islands have a low volume of sales, for example only 7 sales have been recorded to date for April 2017, which tends to make the change in prices - when expressed as a percentage - more volatile than most. On the Mainland, it is Glasgow City that has seen the highest rise in prices at 12.6%. As with the monthly figures, it is the change seen in the average price of flats in Glasgow that has been the major factor in the change in Glasgow’s average house price over the year.



Peak Prices

Each month, in Table 3 above, we highlight the local authority areas that have reached a new peak in their average house prices. This month there are seven such authorities, compared to just two last month. The seven areas are, in descending order of property values: Renfrewshire, Midlothian, Moray, Orkney Islands, Glasgow, Renfrewshire and finally Falkirk. In Falkirk two detached properties were sold in April for £560k each, the highest price achieved in the area this calendar year, and the sixth highest over the last twelve months. Falkirk is located mid-way between Glasgow and Edinburgh.

House prices and transactions

CHANGE IN MIX AND SEASONAL ADJUSTMENT

This month we have updated the mix and seasonal adjustment that we use to calculate the average house price for Scotland. It is the House Price Index equivalent of changing the basket of goods that make up the calculations for the Retail Price Index. The purpose in updating the mix and seasonality is to ensure that our average prices continue to reflect current market behaviour. It is our intention to change this mix every two years.

Over the last year, the Your Move Acadata Scotland house price index has been based on a weighting of property type and location given by the number of housing transactions that took place in Scotland between January 2012 and December 2014, some 251,000 in number. This mix of property type and location has been kept constant over the last two years to enable a comparison of prices to take place, irrespective of the actual volume and type of sales that occurred in any one month.

We have recalculated these weights to reflect the number and types of transactions that took place in Scotland between January 2014 and December 2016, i.e. two years later, which comprise some 292,500 in number. In addition, we have recalculated the seasonality relating to these average prices, which marginally changes from year-to-year. We summarise the differences in these changes in Tables 5 & 6 below. We have subsequently recalculated all our various house price series on the basis of the new weightings and seasonality, which has had the effect of decreasing the average house price in Scotland in March 2017 by £2,068.

Average House Prices Mar 2012 - Mar 2017

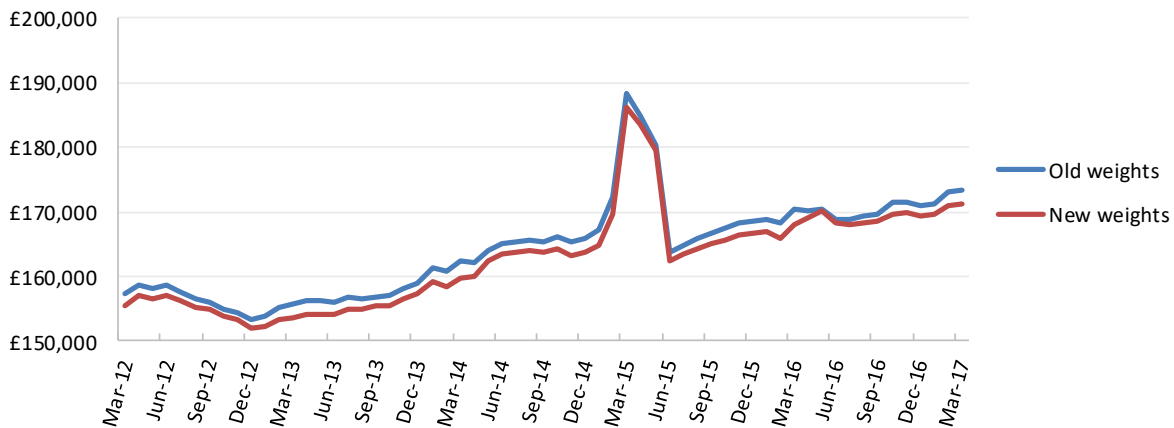


Figure 3. Average House Prices in Scotland, March 2012-2017, comparing values using new & old weights [link to source Excel](#)

As can be seen from Figure 3, the movements in the average value of house prices using both the new and old weights match closely, with a general downward shift in prices over the entire period associated with the new weightings. Overall, the new weights reduce average prices by between £310 and £2,670 compared to the old weights, with the 2014/2015 observations showing the largest differences in price.

Table 5. The change in the Your Move Acadata Scotland HPI weights 2016 vs 2014 by property type

| % MARKET SHARE OF PROPERTY SALES | | | |
|----------------------------------|-------------|-------------|--------|
| TYPE OF PROPERTY | New weights | Old weights | change |
| DETACHED | 21.7% | 22.5% | -0.8% |
| SEMI-DETACHED | 18.0% | 18.6% | -0.6% |
| TERRACED | 22.0% | 22.2% | -0.2% |
| FLATS | 38.3% | 36.7% | +1.6% |
| ALL PROPERTY TYPES | 100.0% | 100.0% | 0.0% |

As can be seen from Table 5, the market share of flats in the Scotland housing market has increased over the period by 1.6%, with a decline in the share of all other property types ranging from -0.2% to -0.8%.

House prices and transactions

In addition to the change in the mix of property types, we have also changed the weights relating to each Local Authority area, which are shown in Table 6 below. In that table we have also highlighted the five areas with the largest change in market share over the period. The major gains have been seen in the City of Edinburgh and Glasgow, with a 0.7% gain in each, followed by Renfrewshire showing a 0.3% gain. Aberdeen City and Aberdeenshire are the two areas with the largest fall in share at -1.4% and 0.8% respectively. Edinburgh, Glasgow and Fife collectively represent 30% of Scotland's housing market.

Table 6. The change in the Your Move Acadata HPI weights 2014-2016 vs 2012-2014 by local authority area [link to source Excel](#)

| Local Authority Area | Weights 2014 - 16 | | Weights 2012 - 14 | | Change in Share |
|-----------------------|-------------------|--------|-------------------|--------|-----------------|
| | Weights | Share | Weights | Share | |
| Aberdeen City | 14,218 | 4.9% | 15,855 | 6.3% | -1.4% |
| Aberdeenshire | 14,929 | 5.1% | 14,889 | 5.9% | -0.8% |
| Angus | 6,018 | 2.1% | 4,717 | 1.9% | 0.2% |
| Argyll and Bute | 4,875 | 1.7% | 4,159 | 1.7% | 0.0% |
| City of Edinburgh | 35,776 | 12.2% | 28,981 | 11.5% | 0.7% |
| Clackmannanshire | 2,670 | 0.9% | 2,106 | 0.8% | 0.1% |
| Dumfries and Galloway | 6,312 | 2.2% | 5,599 | 2.2% | 0.0% |
| Dundee City | 7,179 | 2.5% | 6,365 | 2.5% | 0.0% |
| East Ayrshire | 5,569 | 1.9% | 4,796 | 1.9% | 0.0% |
| East Dunbartonshire | 5,780 | 2.0% | 5,290 | 2.1% | -0.1% |
| East Lothian | 5,576 | 1.9% | 4,778 | 1.9% | 0.0% |
| East Renfrewshire | 5,240 | 1.8% | 4,305 | 1.7% | 0.1% |
| Falkirk | 8,487 | 2.9% | 7,207 | 2.9% | 0.0% |
| Fife | 19,294 | 6.6% | 17,126 | 6.8% | -0.2% |
| Glasgow City | 33,752 | 11.5% | 27,226 | 10.8% | 0.7% |
| Highland | 12,512 | 4.3% | 10,624 | 4.2% | 0.1% |
| Inverclyde | 3,480 | 1.2% | 2,993 | 1.2% | 0.0% |
| Midlothian | 5,156 | 1.7% | 3,952 | 1.5% | 0.2% |
| Moray | 5,245 | 1.8% | 4,667 | 1.9% | -0.1% |
| Na h-Eileanan Siar | 960 | 0.3% | 773 | 0.3% | 0.0% |
| North Ayrshire | 6,322 | 2.2% | 5,636 | 2.3% | -0.1% |
| North Lanarkshire | 15,299 | 5.2% | 12,766 | 5.1% | 0.1% |
| Orkney Islands | 1,089 | 0.4% | 921 | 0.4% | 0.0% |
| Perth and Kinross | 8,544 | 2.9% | 7,147 | 2.9% | 0.0% |
| Renfrewshire | 9,911 | 3.4% | 7,673 | 3.1% | 0.3% |
| Scottish Borders | 5,703 | 2.0% | 4,676 | 1.9% | 0.1% |
| Shetland Islands | 941 | 0.3% | 925 | 0.4% | -0.1% |
| South Ayrshire | 6,308 | 2.2% | 5,262 | 2.1% | 0.1% |
| South Lanarkshire | 17,262 | 5.9% | 14,633 | 5.8% | 0.1% |
| Stirling | 5,016 | 1.7% | 4,314 | 1.7% | 0.0% |
| West Dunbartonshire | 3,933 | 1.3% | 3,466 | 1.4% | -0.1% |
| West Lothian | 8,893 | 3.0% | 7,162 | 2.9% | 0.1% |
| Grand Total | 292,249 | 100.0% | 250,989 | 100.0% | 0.0% |

Notes

NOTES

1. Your Move Acadata Scotland HPI is a price series as opposed to a value series and uses:
 - the actual prices at which every residential property in Scotland was transacted, including prices for properties bought with cash, using the data provided by Registers of Scotland as opposed to valuation estimates or asking prices
 - the price of every single relevant transaction, as opposed to prices based upon samples
2. The current month Your Move Acadata Scotland HPI is not forecast, unlike the LSL Acadata E&W HPI, but is based on achieved prices. The first release of the Scotland results lag the first release of those for England & Wales by one month, as the former index does not use estimates of market prices.
3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI average reflects the average price at the month of the index and the prior two months' prices and is ascribed to the month of the index i.e. it is "end month smoothed" (ems) and not "centre month smoothed" (cms) as applied to the LSL Acadata E&W HPI. Since we provide only a national England & Wales average price in our current month LSL Acadata E&W HPI and prices at region and lower levels are lagged one month, this procedure means that the Your Move Acadata Scotland HPI prices are contemporaneous with the prices published for the equivalent month for England & Wales, Wales and the regions. All Your Move Acadata Scotland HPI results are subject to change following receipt of updated data from Registers of Scotland.
4. The Acadata website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information. These comparisons should be viewed in the light of the different data and different methodologies employed by the index producers. Please see our "[Which House Price Index?](#)" paper.
5. Your Move Acadata Scotland HPI may not be used for commercial purposes without written permission from Acadata. Specifically it may not be used to measure the performance of investments or to determine the price at which investments may be bought or sold or for collateral valuation concerning which enquiries should be directed to MIAC Acadametrics. Our "[Which House Price Index?](#)" discusses.
6. Acadata is an independent privately owned consultancy specialising in house price data. Our associated company MIAC Acadametrics Limited is an independent asset valuation service provider, specialising in behavioural modelling, stress testing and collateral valuation for the financial services industry

Comparison of indices

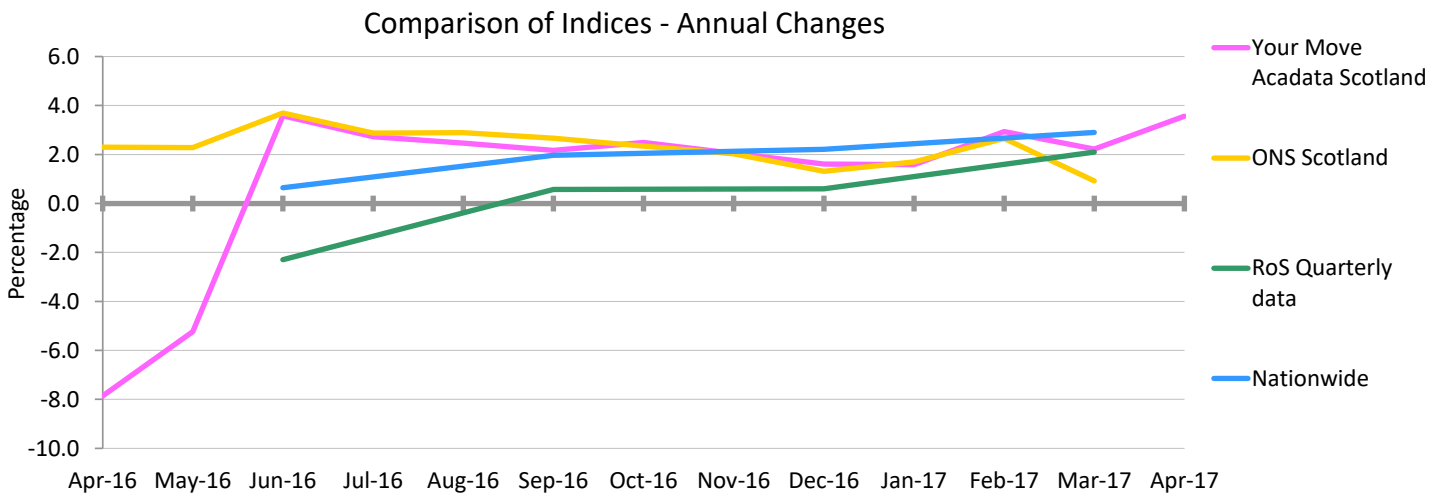


Figure 4. Annual change in house prices [link to source Excel](#)

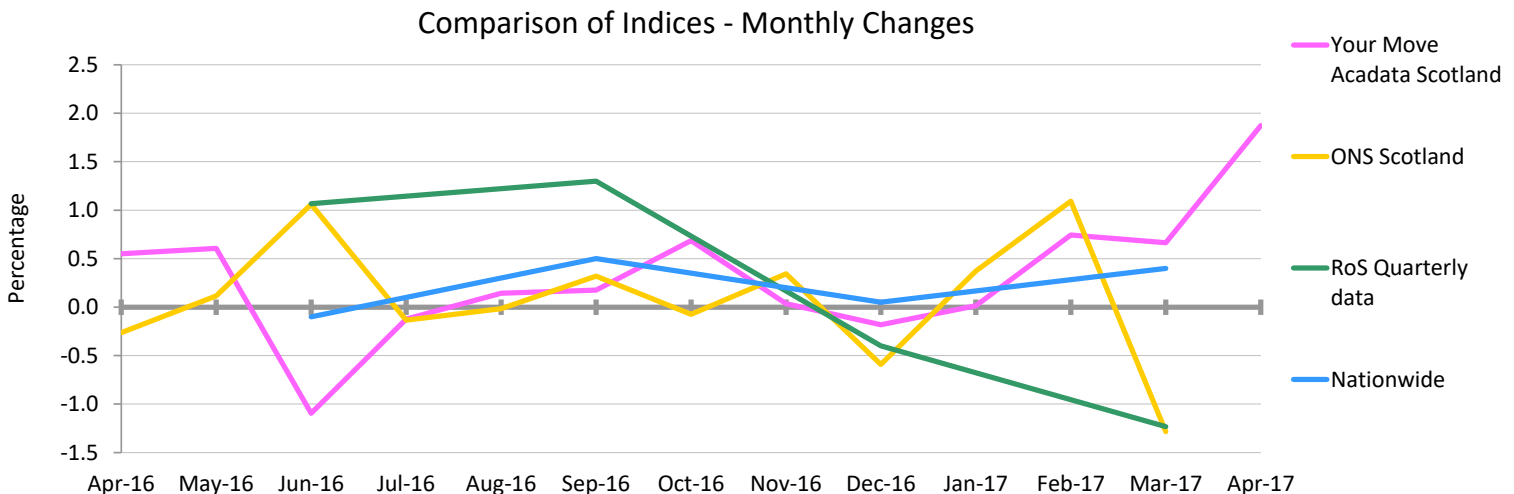


Figure 5. Monthly change in house prices [link to source Excel](#)

The charts above show the main indices provided for Scotland. It should be noted that both Nationwide and RoS quarterly data provide prices for the Scottish market only on a quarterly basis and we have charted these by interpolating on a straight line basis. The Your Move Acadata index is based on an arithmetic mean, whereas the ONS Index is based on a geometric mean.

Nationwide estimates the ‘price of the average house’ as opposed to calculating the ‘average price paid’ for houses. As such its indices should be less affected by the influences of the LBTT than our own and those provided by the ONS and RoS.

Acadata has published a briefing note on the new “ONS UK House Price Index” which includes a discussion of the main differences between using an arithmetic mean (Your Move Acadata and RoS Quarterly) and a geometric mean (ONS Scotland). This briefing paper can be viewed or downloaded by clicking [here](#).

Comparisons with Scotland

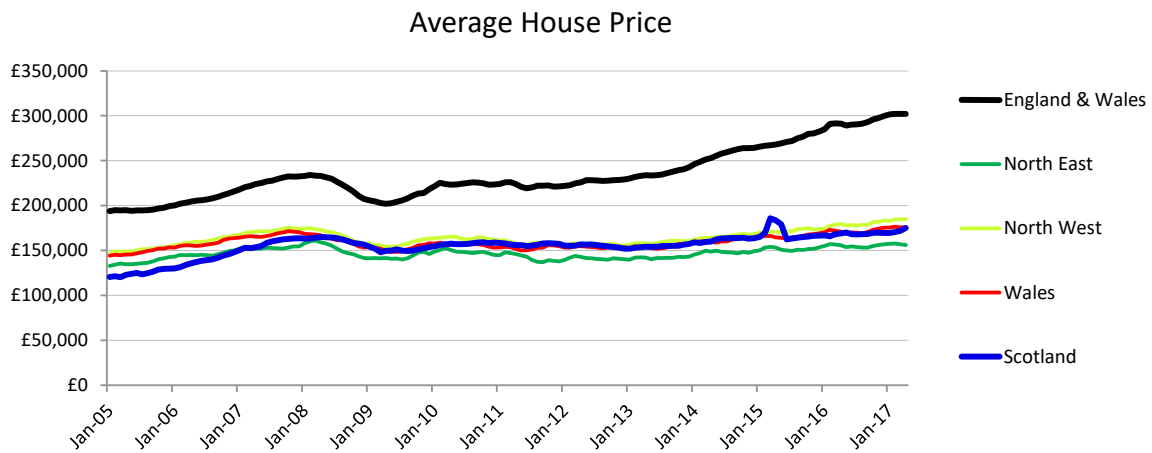


Figure 6. Scotland house prices, compared with England & Wales, Wales, North East and North West for the period January 2005-April 2017 [link to source Excel](#)

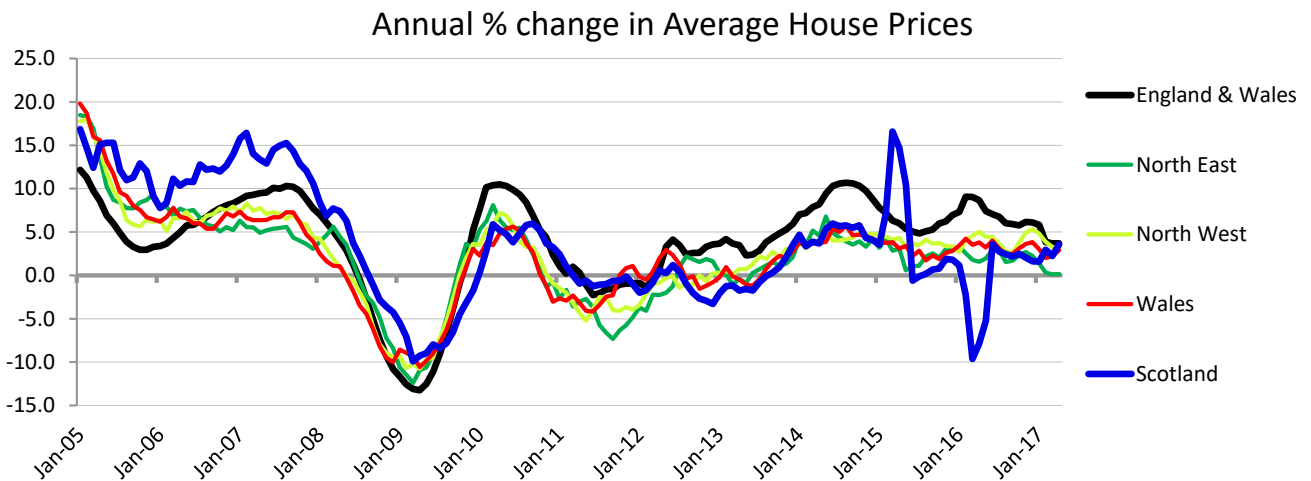


Figure 7. A comparison of the annual change in house prices in Scotland, England & Wales, Wales, North East and North West for the period January 2005-April 2017 [link to source Excel](#)

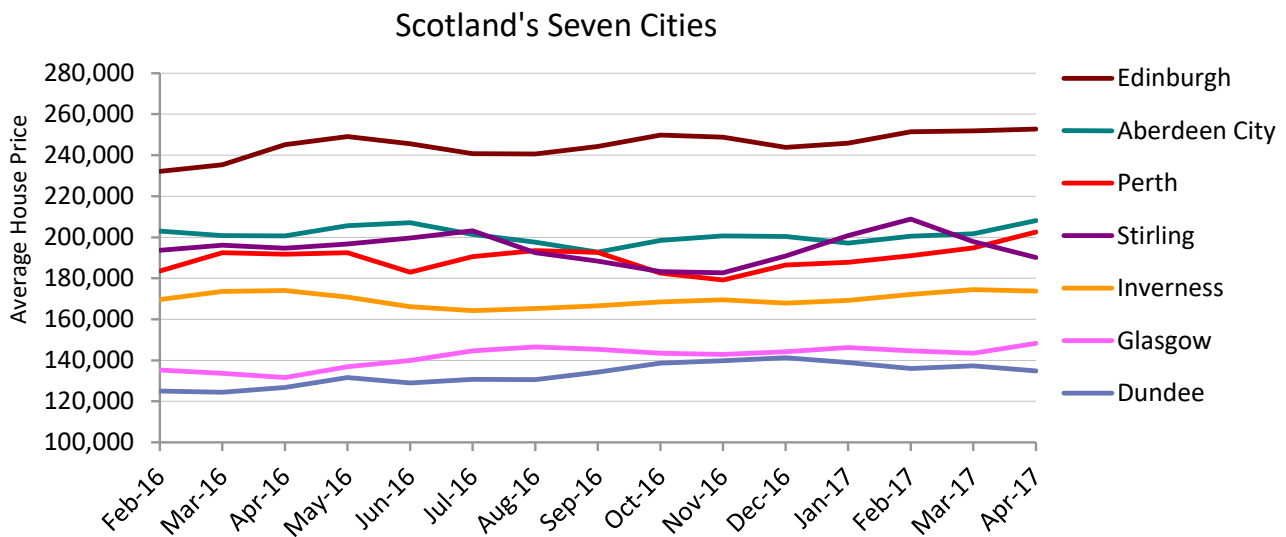


Figure 8. Average house prices for Scotland's seven cities from February 2016–April 2017

[link to source Excel](#)

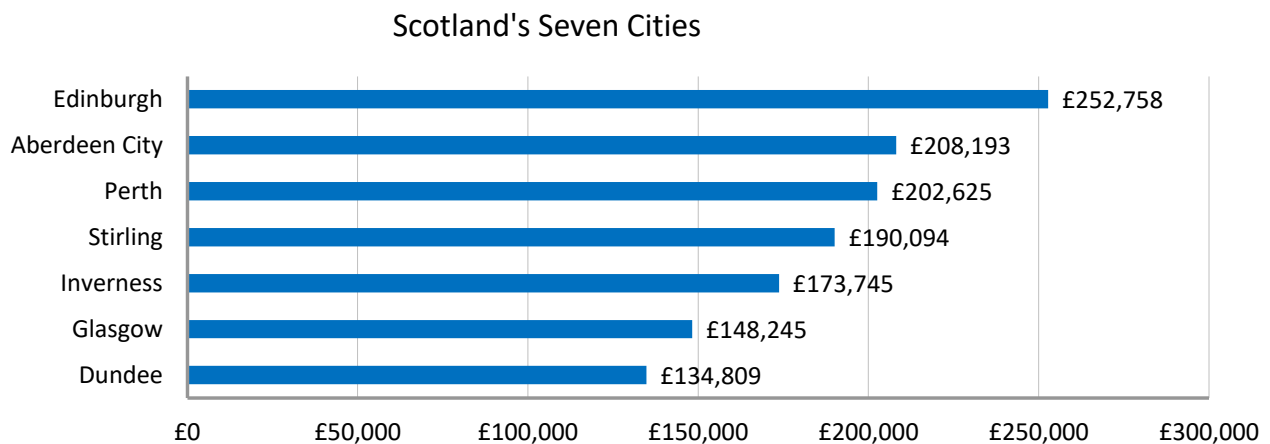


Figure 9. Average house prices for Scotland's seven cities April 2017

[link to source Excel](#)

Footnotes on data and methodology

1. Your Move Acadata Scotland HPI is derived from Registers of Scotland (RoS) house price data, seasonally and mix adjusted by property type. © Crown copyright material reproduced with the permission of Registers of Scotland. The prices are smoothed to show underlying trends. Your Move Acadata Scotland HPI includes cash purchase prices and is based upon the complete, factual house price data for Scotland, as opposed to a sample.

2. Most indices employ data available to the provider as a result of its business; index methodologies are designed to exploit the advantages and overcome the disadvantages of each particular dataset; an asking price or an offer price series is not the same as a price series, such as Your Move Acadata Scotland HPI or ONS UK HPI; these can be prepared only when the prices at which properties have been transacted have been recorded at RoS (Your Move Acadata Scotland HPI) or when firm prices at mortgage completion have been made available by lenders (ONS HPI); asking or offer valuation series can be prepared whenever the data are available to the provider; publicity accrues to those indices which are released first; indices published at or before month end are likely to employ data for the current and prior months.

3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI average reflects prices at the month of the index and those for the prior two months and is ascribed to the month of the index i.e. the prices are "end month smoothed" (ems) and not "centre month smoothed" (cms) as applicable to the LSL Acadata E&W HPI. Please note that:

- we provide only a current month average price for England & Wales as a whole in our LSL Acadata E&W HPI, and that prices at region and lower levels are lagged one month
- RoS monthly data comprises some 98% of the transactions for the current month and c.99% for the prior month

Hence, a smoothed average price using three months data ascribed to the index month (ems) for Your Move Acadata Scotland HPI provides the equivalent price, to all intents and purposes, to the centre month smoothed (cms) price at region/county level, lagged by one month, as provided by the LSL Acadata E&W HPI. An ems procedure allows the Scotland prices to be placed alongside the contemporaneous prices for E&W as a whole and for Wales as a whole, and those for the E & W regions for comparison purposes.

4. LSL Acadata E&W HPI provides prices from January 2005. RoS national data were available only from January 2001 and the constituents of RoS data changed between then and April 2003, showing a significant step change in prices between March and April. ONS HPI quarterly data were used to construct Your Move Acadata Scotland HPI from January 2000 to April 2001 with straight line interpolations used to construct prices by month. Data for 11 local authorities were unavailable for the period January 2001 to April 2003 and were constructed by back-casting. The underlying data by property type, for months when no sales of a particular property type in a particular area were reported, were in-filled using the same procedure used in LSL Acadata E&W and, by Eurostat, in preparing seasonal data.

5. Note that Your Move Acadata Scotland HPI is unable to identify different prices according to e.g. numbers of bedrooms; the lender hedonic indices and the ONS UK HPI do so. RoS data, and hence Your Move Acadata Scotland HPI, exclude commercial and thus auction sales, and do not reflect repossession prices on the grounds that such prices do not reflect those between a willing buyer and a willing seller.

6. Your Move Acadata Scotland HPI is prepared from RoS data using a methodology designed to provide a "true measure of house price inflation"; Acadata does not guarantee the accuracy of the Your Move Acadata Scotland HPI results and neither LSL nor Acadata shall be liable for any loss or damage, whatsoever, consequential upon any error, incorrect description of or inadequacy in the data; persons using the data do so entirely at their own risk; Your Move Acadata Scotland HPI is freely provided for publication with due attribution to Acadata. Permission is required for any commercial use of the data.

7. The monthly, smoothed, average RoS prices at local authority level provided at property type, which underlie Your Move Acadata Scotland HPI, together with historic data, can be purchased from Acadata.

8. LSL Acadata E&W HPI was published under the name FTHPI from September 2003 until December 2009. Until the October 2013 LSL Acadata E&W HPI was published, it was prepared by Acadametrics as was the Your Move Acadata Scotland HPI. Acadametrics then changed its name to Acadata to reflect its new focus entirely upon house price indices and data following its agreement to sell its 50% holding in MIAC Acadametrics to MIAC Analytics over a 4 year period.

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