

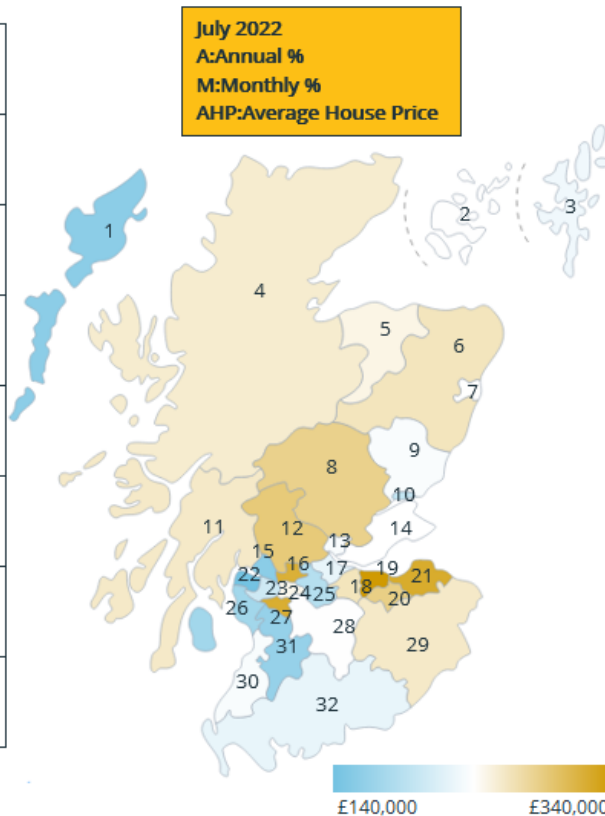
Scotland's house price growth continues to 9.1%

- ✓ 11 Local Authorities in July experiencing record average prices
- ✓ Argyll and Bute has highest annual growth rate at 18.1%
- ✓ Semi-detached properties have highest price growth over the year

- The *Walker Fraser Steele Acadata House Price Index (Scotland)*. Please refer to the Notes at the end for information on content and methodology.
- Walker Fraser Steele is the trading name of e.surv Chartered Surveyors in Scotland.

House Price	Index	Monthly Change %	Annual Change %
£224,035	293.4	0.8	9.1

1 Na h-Eileanan Siar A 9.2% M 9.0% AHP £150,345	2 Orkney Islands A 7.9% M -8.4% AHP £197,721
5 Moray A 14.5% M 4.0% AHP £212,643	6 Aberdeenshire A 4.2% M -2.4% AHP £234,890
9 Angus A 7.8% M 0.1% AHP £195,520	10 Dundee City A 6.8% M -3.7% AHP £173,180
13 Clackmannanshire A 18.0% M -1.3% AHP £195,800	14 Fife A 7.7% M -0.1% AHP £198,048
17 Falkirk A 11.8% M -0.2% AHP £188,584	18 West Lothian A 11.1% M 0.4% AHP £235,427
21 East Lothian A 3.7% M 1.5% AHP £315,622	22 Inverclyde A -1.0% M 7.4% AHP £140,363
25 North Lanarkshire A 10.5% M 2.5% AHP £167,653	26 North Ayrshire A 10.3% M 3.1% AHP £159,649
29 Scottish Borders A 7.1% M -1.0% AHP £228,972	30 South Ayrshire A 3.5% M 1.5% AHP £195,155



3 Shetland Islands A 8.2% M -6.2% AHP £192,076	4 Highland A 10.9% M -0.5% AHP £225,299
7 Aberdeen City A 2.3% M -1.0% AHP £198,564	8 Perth & Kinross A 14.0% M 3.4% AHP £262,752
11 Argyll & Bute A 18.1% M 2.4% AHP £228,938	12 Stirling A 12.6% M 2.4% AHP £273,056
15 West Dunbartonshire A 11.3% M 1.4% AHP £150,288	16 East Dunbartonshire A 15.1% M 0.0% AHP £309,586
19 City of Edinburgh A 7.1% M 1.3% AHP £339,478	20 Midlothian A 2.6% M 0.6% AHP £266,473
23 Renfrewshire A 9.8% M -0.1% AHP £177,619	24 Glasgow City A 10.0% M 2.4% AHP £208,736
27 East Renfrewshire A 8.1% M 1.2% AHP £312,808	28 South Lanarkshire A 13.7% M 1.1% AHP £197,665
31 East Ayrshire A 17.8% M 0.2% AHP £154,659	32 Dumfries & Galloway A 12.6% M -2.4% AHP £188,757

Table 1. Average House Prices in Scotland for the period July 2021 – July 2022
(The prices are end-month smoothed over a 3 month period) ([Link to source Excel](#))

Month	Year	House Price	Index	Monthly Change %	Annual Change %
July	2021	£205,415	269.0	2.2	10.4
August	2021	£208,247	272.7	1.4	11.7
September	2021	£209,996	275.0	0.8	12.8
October	2021	£210,150	275.2	0.1	11.1
November	2021	£210,274	275.4	0.1	8.7
December	2021	£210,448	275.6	0.1	6.9
January	2022	£212,746	278.6	1.1	7.4
February	2022	£214,204	280.5	0.7	7.4
March	2022	£217,135	284.4	1.4	6.3
April	2022	£218,400	286.0	0.6	7.6
May	2022	£221,049	289.5	1.2	8.4
June	2022	£222,305	291.2	0.6	10.6
July	2022	£224,035	293.4	0.8	9.1

Note: The Walker Fraser Steele Acadata House Price Index (Scotland) provides the “average of all prices paid for houses”, including those made with cash.

Scott Jack, Regional Development Director at Walker Fraser Steele, comments:

“Records continue to be broken as the average price paid for a house in Scotland in July 2022 reached £224,035, establishing yet another record price for the country – the thirteenth occasion that this has happened in the last thirteen months.

“It is tempting to wonder how long this can continue but every time we pause for breath, prices rise again.

“This price is some £18,600 higher than that seen in July 2021, indicating that prices have risen by 9.1% on an annual basis. This annual rate has slowed from the 10.6% growth seen in June, but that month was assisted by a near £3,000 fall in prices which occurred twelve months earlier in June 2021, meaning that the base point for measuring June’s growth rate started from a particularly low level.

“There is evidence of a fall in transactions in this month’s data which a number of surveyors in Scotland believe is a regular feature of June and July’s housing market, coinciding as it does with the school holidays, and at a time when, emerging from the pandemic, people have been very keen to get away.

“Interestingly in terms of the type of property that is selling for higher prices, the “race for space” may be in abeyance as people return to the suburbs and semi-detached properties that suit hybrid working.”

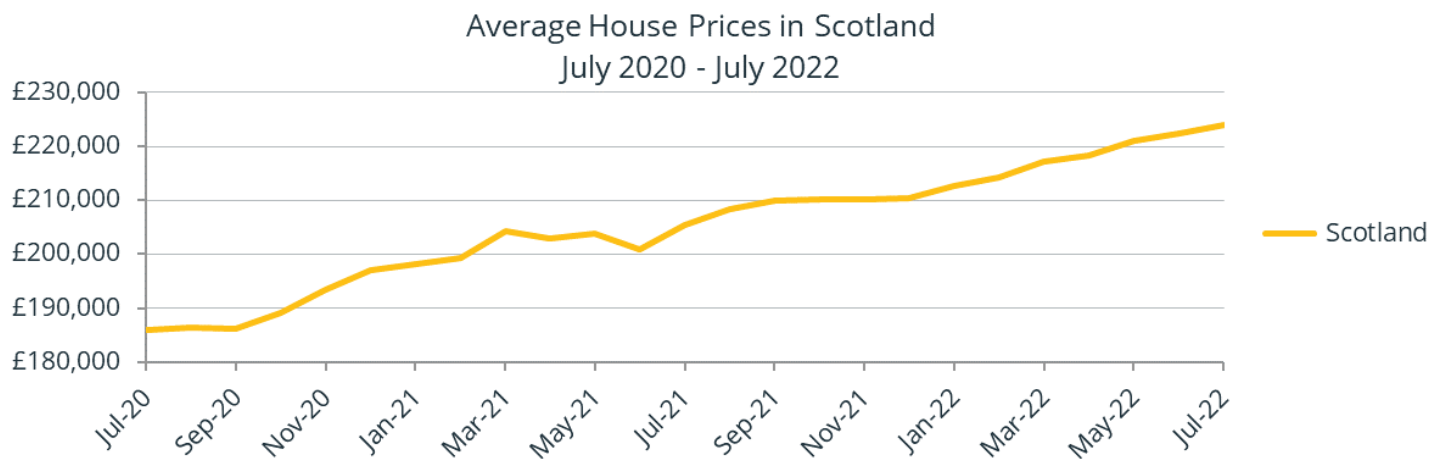
Commentary: John Tindale, Acadata Senior Housing Analyst

The July housing market

The average price paid for a house in Scotland in July 2022 is £224,035, establishing yet another record price for the country – the thirteenth occasion that this has happened in the last thirteen months.

This price is some £18,600 higher than that seen in July 2021, indicating that prices have risen by 9.1% on an annual basis. This annual rate has slowed from the 10.6% growth seen in June, but that month was assisted by a near £3,000 fall in prices which occurred twelve months earlier in June 2021, meaning that the base point for measuring June’s growth rate started from a particularly low level. On a monthly basis, prices in July increased by some £1,725, or 0.8%, which was close to £500 higher than the increase seen in June – continuing the bi-monthly oscillation in prices in 2022 that can be seen in Table 1 above.

Figure 1. The average house price in Scotland over the period July 2020 to July 2022 ([Link to source Excel](#))



While prices continue to increase, there is some evidence that the number of housing sales in Scotland is beginning to slow – although a number of surveyors in Scotland believe this to be a regular feature of June and July’s housing market, coinciding as it does with the school holidays, when families are likely to be distracted by matters other than buying a property. It is therefore difficult to draw conclusions from the observed shortfall of sales in June - and to a lesser extent July -, which we discuss in more detail on page 4.

Looking at Table 2 below, which illustrates the change in prices by property type, there is a far smaller difference between the property types in July 2022 than there had been in March 2022.

Table 2. % change in annual rates of growth for March and July 2022

Annual % Change in prices	Mar 2022	Jul 2022
Detached	11.2%	9.1%
Semi-detached	4.6%	10.5%
Terraced	3.9%	9.6%
Flats	3.5%	9.4%
Unallocated / new build	6.4%	6.4%
Total	6.3%	9.1%

March 2022 shows a ‘pandemic-led’ increase in prices with detached properties having the highest growth in prices, and flats the lowest. However, in July this position has changed, with semi-detached properties seeing the largest increase in prices while detached properties are second lowest.

The change in growth rates of the different property types highlighted in Table 2 may suggest that the importance of 'lifestyle-changes' in the decisions involved in buying a property have shifted over the last few months, as the pandemic becomes less of an influence on peoples' lives. Or alternatively it may just reflect a change in the mix of those who have purchased properties during the school holidays. We will have to wait and see what happens when the schools return this autumn, and families contemplate their next move.

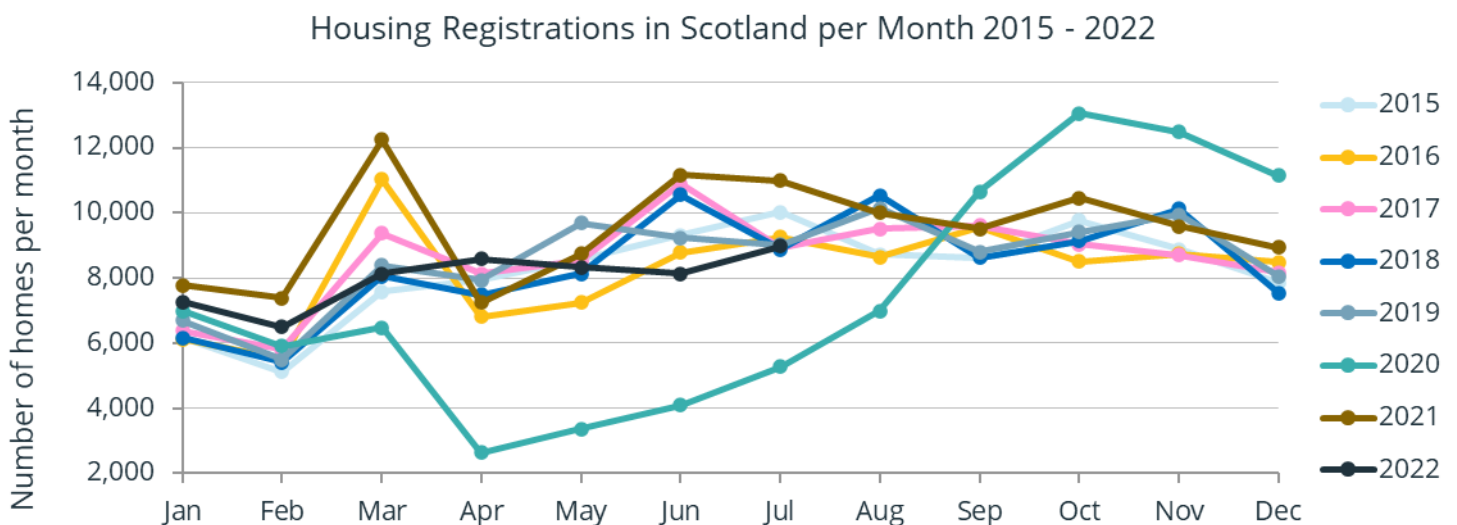
Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period January 2015 to July 2022, based on RoS (Registers of Scotland) figures for the Date of Entry. (July 2022 totals are based on RoS Application dates.)

It can be seen that the June 2022 total is the second lowest transaction count of the eight years shown in Figure 2, with only the June 2020 total being lower. (June 2020 was only three months after the start of the pandemic). Although the July 2022 total shows a small increase in transactions compared to June 2022, the current figure for the month remains an estimate, so at this stage not too much weight should be given to the predicted rise in sales.

RICS (Royal Institution of Chartered Surveyors), in its July 2022 Residential Market Survey, is pointing to an easing in sales market activity, with metrics on demand and sales remaining in modestly negative territory over the month. RICS add that for the time being at least - underpinned by the low levels of supply available for purchase - prices continue to rise across all parts of the UK.

Figure 2. The number of sales per month recorded by RoS based on entry date (RoS applications date for July 2022), for the period 2015 - 2022. (Source: Registers of Scotland.) ([Link to source Excel](#))



Scotland transactions of £750k or higher

Table 3. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – July 2022 ([Link to source Excel](#))

Sales of £750k+								
Month	2015	2016	2017	2018	2019	2020	2021	2022
1	33	27	19	35	43	49	65	87
2	42	20	15	52	26	33	62	66
3	231	57	25	34	35	30	115	79
4	2	27	29	24	36	11	46	70
5	14	20	31	32	53	16	63	87
6	26	47	43	41	60	36	119	108
7	15	36	55	44	61	41	120	81
8	41	54	62	60	61	40	102	
9	46	44	56	70	59	67	127	
10	23	52	48	55	40	114	101	
11	48	38	37	59	58	109	100	
12	34	23	40	31	49	105	79	
Total	555	445	460	537	581	651	1099	578

Table 3 shows the number of transactions per month in Scotland which are equal to or greater than £750k. The threshold of £750k has been selected as it is the breakpoint at which the highest rate of LBTT becomes payable.

Table 3 shows that there were 81 sales in excess of £750k during July 2022, and we anticipate that this number will increase as further sales for the month are processed by the Registers of Scotland. It is however doubtful that the July 2022 total will exceed the July 2021 total of 120 sales, which again suggests a slight cooling in the high-value sales market, consistent with the RICS Residential Market Survey quoted earlier. However, the total for July 2022 of 81 high-value sales still exceeds all the prior years' July totals, except for 2021, indicating that the "lifestyle changes" associated with the pandemic - "working from home" and the "race for space" - are still features of the current housing market, even if their prominence is beginning to wane. This, as discussed on page 7, has resulted in strong competition for the properties that meet these requirements, with substantial price rises still being experienced at the top-end of the market.

A similar picture can be discerned from looking at the totals for the eight years covered by Table 3 above. It is clear that after seven months, the 2022 total already exceeds each full year from 2015 to 2018, with 2019 highly likely to be surpassed next month, and 2020 following suit shortly thereafter. It can also be seen that the sum of the first seven months of 2021 amounts to 590 sales, meaning that 2022 is not too far behind the previous year's total at the same point in the year.

The five authorities with the largest number of the 578 high-value sales that have been recorded to date in 2022 are: Edinburgh (294); Glasgow City (37); Fife (32); East Lothian (28); and finally East Renfrewshire (20). From these figures can be seen that in 2022, Edinburgh accounts for just over half of this sector of the housing market.

Local Authority Analysis

Table 4. Average House Prices in Scotland, by local authority area, comparing July 2021, June and July 2022
([Link to source Excel](#))

Prior Year Rank	Rank By Price	Local Authority Area	Jul-21	Jun-22	Jul-22	Month % Change	Annual % Change
1	1	City of Edinburgh	£316,901	£335,136	£339,478	1.3%	7.1%
2	2	East Lothian	£304,226	£311,042	£315,622	1.5%	3.7%
3	3	East Renfrewshire	£289,491	£309,181	£312,808	1.2%	8.1%
4	4	East Dunbartonshire	£268,959	£309,539	£309,586	0.0%	15.1%
6	5	Stirling	£242,437	£266,752	£273,056	2.4%	12.6%
5	6	Midlothian	£259,657	£264,969	£266,473	0.6%	2.6%
7	7	Perth and Kinross	£230,556	£254,175	£262,752	3.4%	14.0%
10	8	West Lothian	£211,950	£234,563	£235,427	0.4%	11.1%
8	9	Aberdeenshire	£225,482	£240,715	£234,890	-2.4%	4.2%
9	10	Scottish Borders	£213,719	£231,261	£228,972	-1.0%	7.1%
13	11	Argyll and Bute	£193,813	£223,640	£228,938	2.4%	18.1%
11	12	Highland	£203,189	£226,348	£225,299	-0.5%	10.9%
16	13	Moray	£185,737	£204,382	£212,643	4.0%	14.5%
14	14	Glasgow City	£189,692	£203,827	£208,736	2.4%	10.0%
12	15	Aberdeen City	£194,047	£200,541	£198,564	-1.0%	2.3%
17	16	Fife	£183,838	£198,223	£198,048	-0.1%	7.7%
18	17	Orkney Islands	£183,165	£215,919	£197,721	-8.4%	7.9%
21	18	South Lanarkshire	£173,815	£195,507	£197,665	1.1%	13.7%
24	19	Clackmannanshire	£165,866	£198,284	£195,800	-1.3%	18.0%
19	20	Angus	£181,372	£195,384	£195,520	0.1%	7.8%
15	21	South Ayrshire	£188,502	£192,296	£195,155	1.5%	3.5%
20	22	Shetland Islands	£177,491	£204,786	£192,076	-6.2%	8.2%
23	23	Dumfries and Galloway	£167,607	£193,486	£188,757	-2.4%	12.6%
22	24	Falkirk	£168,690	£188,996	£188,584	-0.2%	11.8%
26	25	Renfrewshire	£161,701	£177,855	£177,619	-0.1%	9.8%
25	26	Dundee City	£162,161	£179,863	£173,180	-3.7%	6.8%
27	27	North Lanarkshire	£151,791	£163,565	£167,653	2.5%	10.5%
28	28	North Ayrshire	£144,681	£154,893	£159,649	3.1%	10.3%
32	29	East Ayrshire	£131,294	£154,389	£154,659	0.2%	17.8%
30	30	Na h-Eileanan Siar	£137,677	£137,937	£150,345	9.0%	9.2%
31	31	West Dunbartonshire	£135,043	£148,216	£150,288	1.4%	11.3%
29	32	Inverclyde	£141,852	£130,718	£140,363	7.4%	-1.0%
All Scotland			£205,415	£222,305	£224,035	0.8%	9.1%

Table 4 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for July 2021, as well as for June and July 2022, calculated on a seasonal- and mix-adjusted basis. The ranking in Table 4 is based on the local authority area's average house price for July 2022. Local Authority areas shaded in blue experienced record average house prices in July 2022.

Annual change

The average house price in Scotland increased by some £18,600 - or 9.1% - over the last twelve months, to the end of July. This is a near £2,800 decrease over the £21,400 growth in prices seen in the twelve months to the end of June 2022 - but we were advising last month that prices in June 2021, i.e. one year earlier, had fallen by £3,000 from May 2021, so the base point for measuring annual changes in value was starting from a low level.

In July 2022, 31 of the 32 local authority areas in Scotland saw their average prices rise over the levels seen twelve months earlier - the sole exception being Inverclyde, where prices fell by -1.0. Inverclyde currently has the lowest average property value of the 32 local authority areas in Scotland, despite it having experienced a 7.4% increase in average prices in the month - discussed in more detail below.

The area with the highest annual increase in average house prices in July 2022 was Argyll and Bute, where values have risen by 18.1% over the year. This is the fourth month in succession that Argyll and Bute has recorded the highest annual change in prices, having been assisted in this process by a number of high-value sales achieving prices above their guide levels. This occurred again in July, with the sale of a four-bedroom shipping magnate's villa overlooking the Clyde, having an asking price of £650,000 but selling for £850,000. This is a classic example of how homes in attractive locations - this time in Helensburgh - can attract competitive bids, resulting in a significantly higher price for the property under offer.

In Table 4, it is noticeable that the top eight local authorities by value have all seen their average prices increase in the month, suggesting that the desire to move to larger properties in these areas has continued in Scotland over the summer months, despite the school holidays.

On a weight-adjusted basis, which employs both the change in prices and the number of transactions involved, there are five local authority areas in July that accounted for 44% of the £18,600 increase in Scotland's average house price over the year. The five areas in descending order of influence are: - Edinburgh (13%), Glasgow (12%); South Lanarkshire (9%); Perth and Kinross (5%) and Highland (5%).

Monthly change

In July 2022, Scotland's average house price in the month rose by some £1,730, or 0.8%, continuing the pattern of minor upward oscillations in property values on a monthly basis. The average price in Scotland now stands at £224,035, which sets a record level for the nation for the thirteenth month in succession.

In July 2022, 20 of the 32 Local Authority areas in Scotland experienced rising prices in the month, two more than in June. The largest increase in average prices in July, of 9.0%, was seen in Na h-Eileanan Siar, but we frequently make the point that the Islands have few sales in a month - in July there were just 12 in the Western Isles - which tends to result in large movements in average prices. On the mainland, the highest increase in prices was in Inverclyde, up 7.4% in the month. Average prices in Inverclyde were assisted in the month by the purchase of an upmarket flat, in Greenock, being a lower conversion of a traditional 1870 Victorian blonde sandstone property, with 5 bedrooms, which sold for £370k - the second highest priced flat sold in Inverclyde in the calendar year.

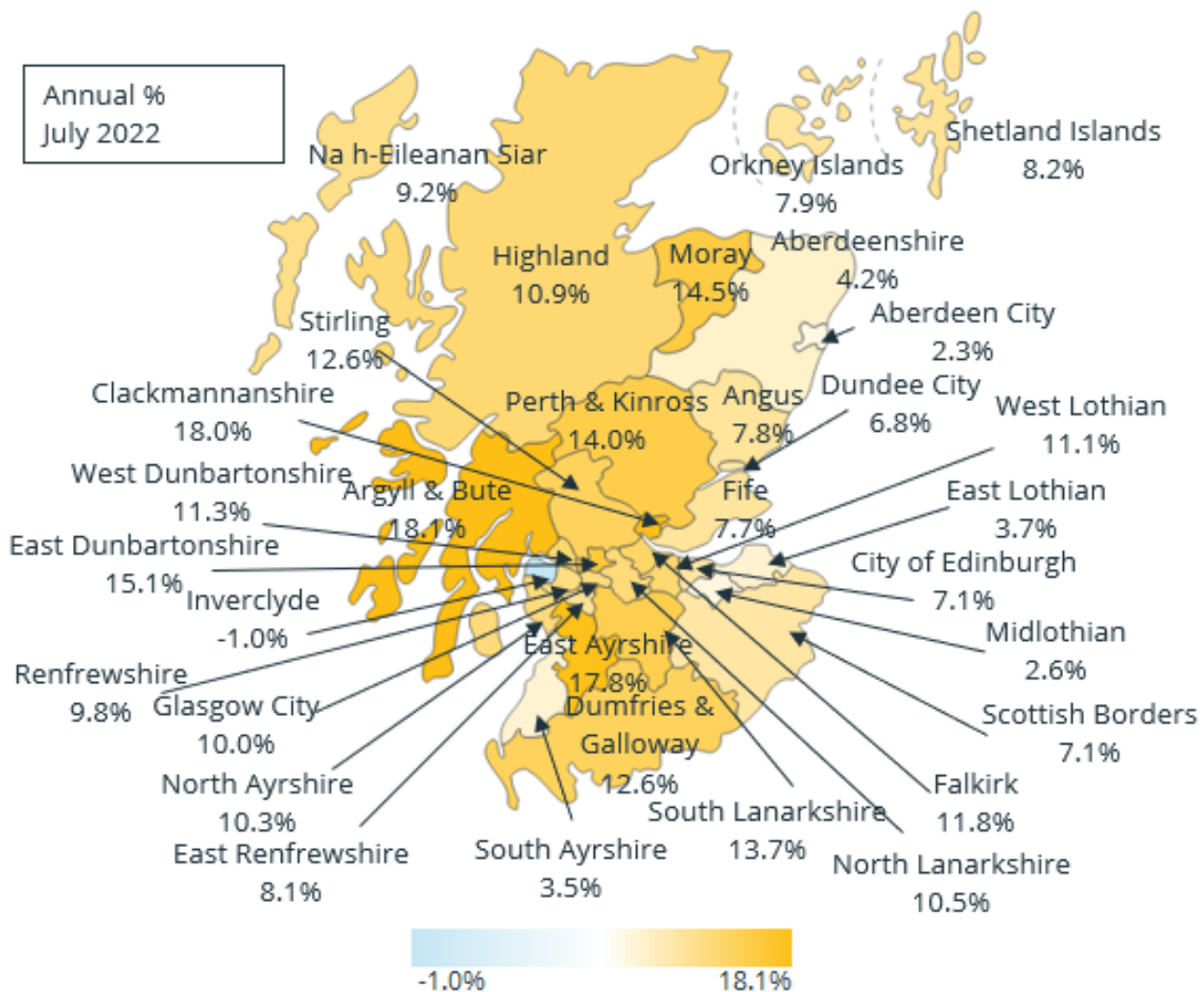
At the other end of the scale the lowest increase in average prices in July, on the mainland, was Dundee City, at -3.7%. A number of new homes had been purchased in the Broughty Ferry area of Dundee earlier in the year – but the number sold diminished in July, resulting in the fall in average prices in the area.

Peak Prices

Each month, in Table 4 above, we highlight in light blue the local authority areas which have reached a new record in their average house prices. In July, there are 11 such authorities, two less than in June. We can also add that Scotland itself has set a record average price in July 2022 - the seventh of this calendar year.

Heat Map

The heat map below shows the rate of house price growth for the 12 months ending July 2022. As reported above, 31 of the 32 local authority areas in Scotland have seen a rise in their average property values over the last year, the one exception being Inverclyde. The highest increase over the twelve months to July 2022 was in Argyll and Bute at 18.1%. 16 of the 32 local authority areas had price growth in excess of 10.0% - three less than in June 2022.



Comparisons with Scotland

Figure 3. Scotland house prices, compared with England and Wales, Wales, North East and North West for the period January 2005-July 2022 (Link to source Excel)

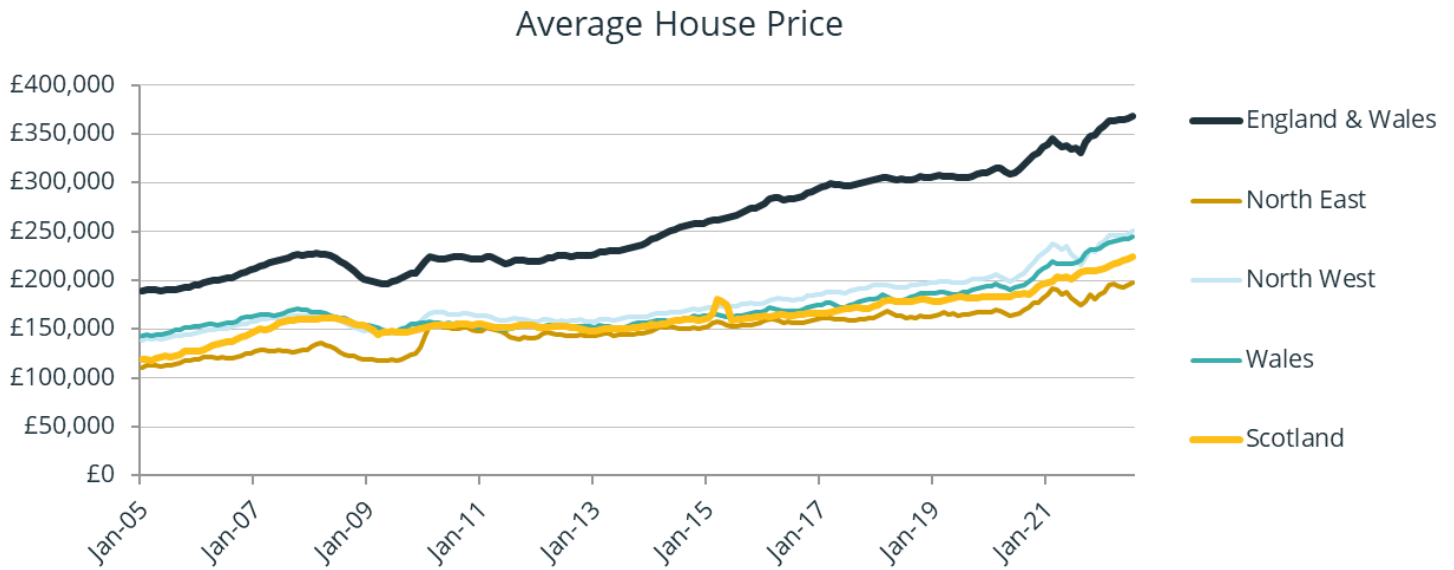
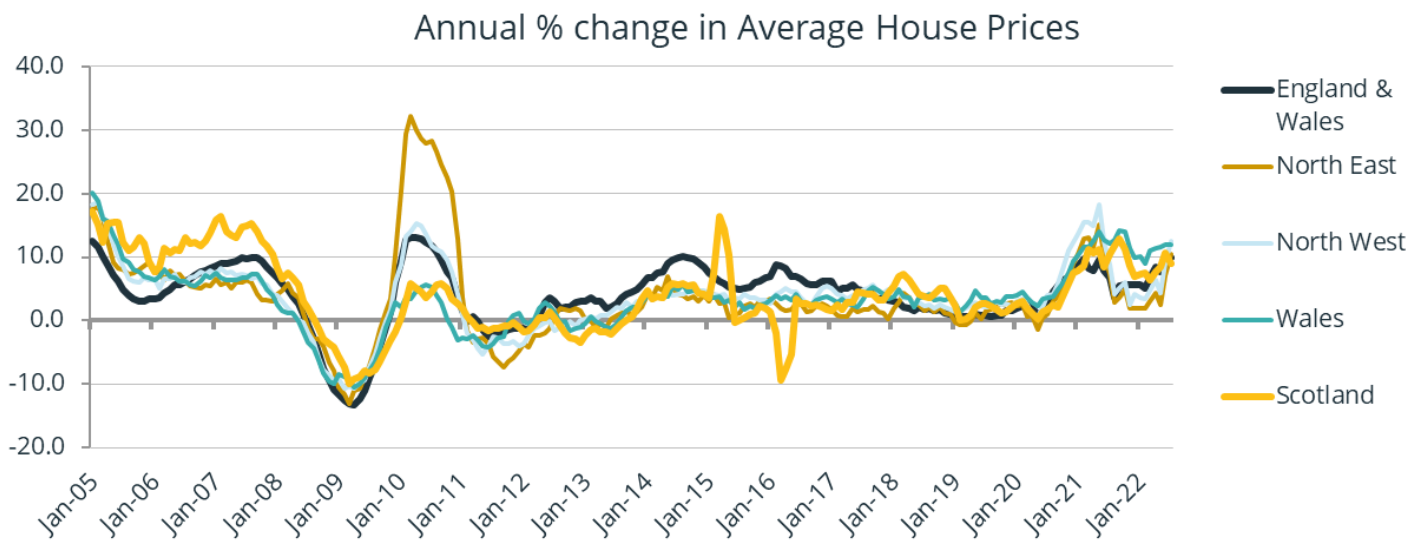


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, Wales, North East and North West for the period January 2005-July 2022 (Link to source Excel)



Scotland's Eight Cities

Figure 5. Average house prices for Scotland's eight cities from May 2021–July 2022 ([Link to source Excel](#))

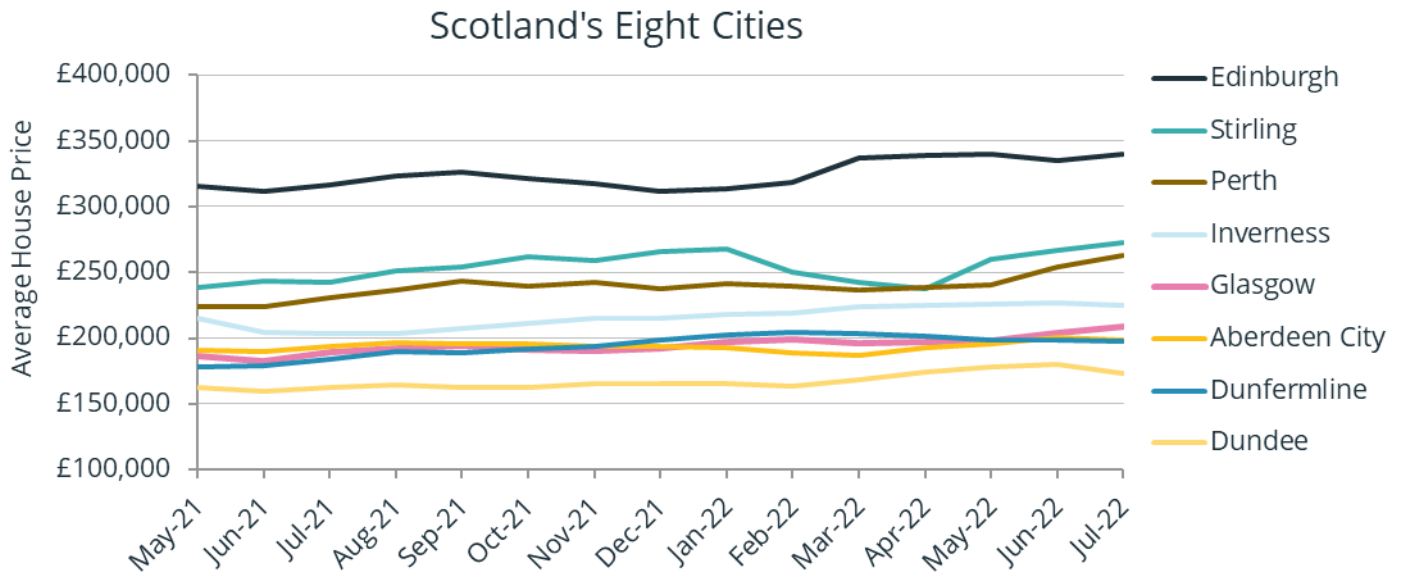
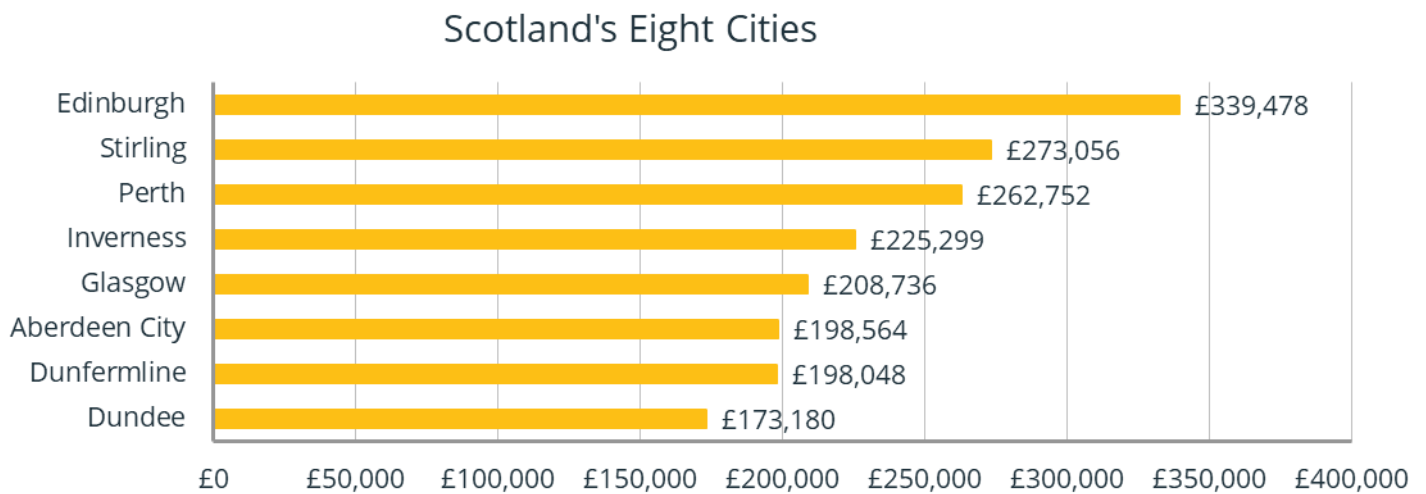


Figure 6. Average house prices for Scotland's eight cities July 2022 ([Link to source Excel](#))



Notes

The *Walker Fraser Steele Acadata House Price Index* was formerly the *Your Move Acadata House Price Index* and is produced by Acadata. Content and methodology are unchanged.

1. The Walker Fraser Steele Acadata HPI (Scotland) 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 Walker Fraser Steele Acadata HPI (Scotland) is not forecast, unlike the e.surv Acadata HPI (England and Wales) but is based on achieved prices. The first release of the Scotland results lag the first release of those for England and Wales by one month, as the former index does not use estimates of market prices.
3. While the Walker Fraser Steele Acadata HPI (Scotland), like the e.surv Acadata HPI (England and Wales), comprises a smoothed average of three months' prices, the Walker Fraser Steele Acadata HPI (Scotland) 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 e.surv Acadata HPI (England and Wales). Since we provide only a national England and Wales average price in our current month e.surv Acadata HPI (England and Wales) and prices at region and lower levels are lagged one month, this procedure means that the Walker Fraser Steele Acadata HPI (Scotland) prices are contemporaneous with the prices published for the equivalent month for England and Wales and the regions. All Walker Fraser Steele Acadata HPI (Scotland) 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.
5. Walker Fraser Steele Acadata HPI (Scotland) 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.
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.

For further footnotes and a description of the methodology used in the Walker Fraser Steele Acadata HPI (Scotland) please click [here](#).

About Walker Fraser Steele

Walker Fraser Steele is one of the longest established Chartered Surveyor brands in Scotland. We're proud of our Scottish heritage and reputation, which has allowed us to stay at the forefront of the residential property market in Scotland for well over a century.

In June 2013, the business joined forces with [e.surv Chartered Surveyors](#) (part of [LSL Property Services plc](#)). e.surv is the UK's leading provider of residential valuation and surveying services and brings technical expertise and award-winning know-how to complement our in-depth knowledge of local markets. This is a unique formula that adds huge value for our clients and customers.

We provide Home Reports, Mortgage Valuations and Energy Reports to Scottish homeowners, and valuations and property risk advice to a large proportion of UK lenders.

For further information, please visit our website: www.walkerfrasersteele.co.uk

Press contacts

Matt Beasley

Full Circle (PR agency for e.surv)

mbeasley@fullcirclecomms.co.uk

020 7265 7887

Emma Short

Head of Marketing Communications, Walker Fraser Steele

emma.short@esurv.co.uk

07775 544 834

Richard Sumner

Acadata

richard.sumner@acadata.co.uk

020 8392 9082