



House Price Index

Scotland

December 2022



0.0%

monthly change



7.0%

annual change



£225,520

average
house price

**Walker Fraser Steele
Chartered Surveyors**

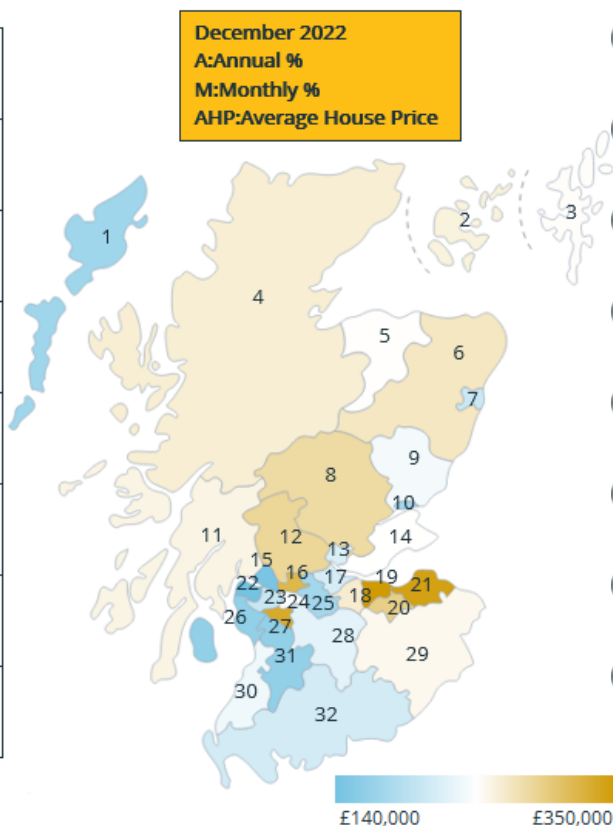
Scotland's house price growth continued in December, rising in 29 Local Authorities over the year

- ✓ East Renfrewshire is the mainland authority with the highest growth at 17.7%
- ✓ 2022 makes history with the largest number of high-value homes sold
- ✓ Edinburgh one of six areas with values increased by 10% or more

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

House Price	Index	Monthly Change %	Annual Change %
£225,520	295.4	0.0	7.0

1 Na h-Eileanan Siar A 8.5% M 7.1% AHP £164,526	2 Orkney Islands A 5.0% M -0.2% AHP £226,816
5 Moray A 9.9% M 4.9% AHP £209,578	6 Aberdeenshire A 7.0% M 1.8% AHP £241,210
9 Angus A 5.7% M 0.1% AHP £202,880	10 Dundee City A 0.6% M 0.1% AHP £166,196
13 Clackmannanshire A 10.0% M 0.0% AHP £191,577	14 Fife A 4.6% M 1.2% AHP £208,285
17 Falkirk A 7.9% M -1.4% AHP £188,881	18 West Lothian A 6.9% M -1.0% AHP £233,857
21 East Lothian A 9.1% M -1.4% AHP £337,690	22 Inverclyde A 0.2% M -0.8% AHP £143,898
25 North Lanarkshire A 10.2% M 1.0% AHP £165,923	26 North Ayrshire A 6.1% M 0.1% AHP £157,853
29 Scottish Borders A -3.0% M -1.2% AHP £217,788	30 South Ayrshire A 3.3% M 1.8% AHP £200,463



3 Shetland Islands A 19.5% M 1.5% AHP £210,909	4 Highland A 7.5% M 0.1% AHP £231,312
7 Aberdeen City A -5.4% M 1.0% AHP £183,697	8 Perth & Kinross A 8.5% M 0.1% AHP £258,445
11 Argyll & Bute A 9.2% M -2.7% AHP £222,775	12 Stirling A -0.7% M 2.0% AHP £264,379
15 West Dunbartonshire A 4.7% M -1.1% AHP £146,760	16 East Dunbartonshire A 7.4% M -1.4% AHP £306,645
19 City of Edinburgh A 11.2% M -0.6% AHP £346,543	20 Midlothian A 3.4% M -1.3% AHP £274,454
23 Renfrewshire A 7.1% M -0.3% AHP £182,475	24 Glasgow City A 7.7% M 0.9% AHP £206,971
27 East Renfrewshire A 17.7% M 0.4% AHP £325,332	28 South Lanarkshire A 5.8% M -0.7% AHP £195,456
31 East Ayrshire A 8.5% M -1.7% AHP £157,928	32 Dumfries & Galloway A 10.3% M -1.2% AHP £187,263

Table 1. Average House Prices in Scotland for the period December 2021 – December 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 %
December	2021	£210,689	275.9	0.1	6.9
January	2022	£212,913	278.9	1.1	7.4
February	2022	£214,386	280.8	0.7	7.4
March	2022	£217,476	284.8	1.4	6.3
April	2022	£218,711	286.4	0.6	7.6
May	2022	£221,225	289.7	1.1	8.4
June	2022	£222,126	290.9	0.4	10.4
July	2022	£224,131	293.5	0.9	9.0
August	2022	£223,823	293.1	-0.1	7.3
September	2022	£223,734	293.0	0.0	6.4
October	2022	£224,373	293.9	0.3	6.6
November	2022	£225,457	295.3	0.5	7.1
December	2022	£225,520	295.4	0.0	7.0

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:

“If we step back for a moment and look at 2022 overall, it has been a record year for housing transactions in Scotland – all the more significant if we consider the performance of house prices over the last couple of years which have seemingly inexorably climbed. When we consider the rise in prices since the start of lockdowns back in March 2020, the average house price over that period has risen £41,700 (or 22.7 per cent). If we look at consumer prices measured by the CPIH over the same period, house prices have comfortably outperformed price growth elsewhere.

“Our data looks at the entire market which includes the significant volume of cash purchases north of the border and supports the view expressed in the RICS Residential Market Survey for December and January which indicated that prices are generally remaining resilient in Scotland. A frequent observation is that there remains a lack of suitable properties coming on to the market, which creates competition for those that are available, which helps in turn support current price levels.

“If we focus specifically on December, we can see the impact of the rising cost of borrowing. The average house price in Scotland continued to rise during December, although the increase was a modest £63. Average prices have now reached £225,520, which is some £14,800 - or 7.0% - higher than a year earlier. This sets another new record average price for Scotland, the tenth to occur in 2022.”

Commentary: John Tindale, Acadata Senior Housing Analyst

The December housing market

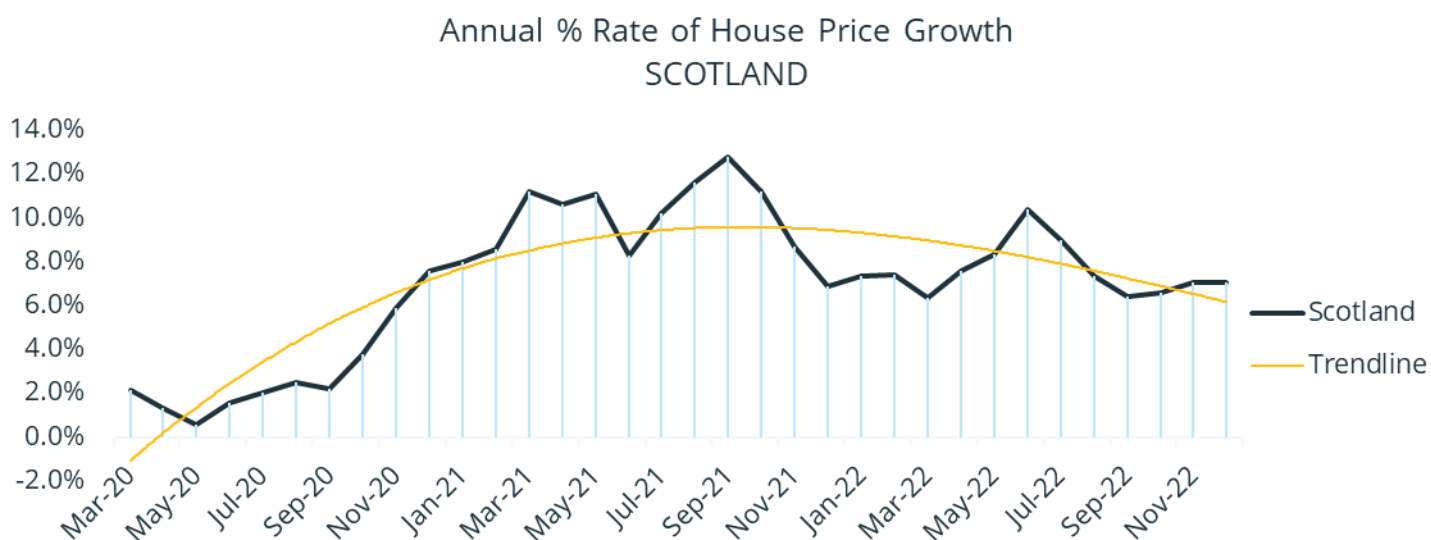
Average house prices in Scotland continued to rise during December, although the increase was a very modest £63. Average prices have now reached £225,520, which is some £14,800 - or 7.0% - higher than a year earlier. This sets another new record average price for Scotland, the tenth to occur in 2022.

Indeed, if we look at the change in values since the start of the pandemic in March 2020 - when the average house price in Scotland was £183,853 - there has been an increase of some £41,700 or 22.7% to the end of December 2022. This compares favourably with the increase in consumer prices of 15.4%, measured by CPIH, over the same period. Property prices have thus risen in real terms over the last nearly three years.

Looking at the first six months of the monthly rates of change in house prices in Table 1 on page 3, the total amounts to 5.3%, which contrasts with the 1.5% increase in monthly rates during the second half of 2022. This is a clear demonstration of the cooling in the housing market that has taken place over the last six months. However, what we can also see is that, with the exception of August 2022, the movement in prices has remained positive, which indicates that demand for properties still exists - even if it has softened from the levels seen earlier in the year. As we show on page 7, sales of high value properties have continued throughout 2022, at a pace which exceeds that of 2021 - which year had itself set new record levels, almost 90% higher than the total number of high-value properties sold in 2019.

The RICS Residential Market Survey for December and January both indicated that prices are generally remaining resilient in Scotland, which contrasts with negative movements to the south in England. A frequent comment among surveyors in Scotland is that there is a lack of properties coming on to the market, which creates competition for those that are available, generally maintaining existing price levels. We wait with considerable interest to see what 2023 has in store.

Figure 1. The annual rate of house price growth in Scotland over the period March 2020 to December 2022
([Link to source Excel](#))



Local Authority Analysis

Table 2. Average House Prices in Scotland, by local authority area, comparing December 2021, November and December 2022 (Link to source Excel)

Prior Year Rank	Rank By Price	Local Authority Area	Dec-21	Nov-22	Dec-22	Month % Change	Annual % Change
1	1	City of Edinburgh	£311,720	£348,770	£346,543	-0.6%	11.2%
2	2	East Lothian	£309,612	£342,575	£337,690	-1.4%	9.1%
4	3	East Renfrewshire	£276,421	£324,162	£325,332	0.4%	17.7%
3	4	East Dunbartonshire	£285,574	£311,088	£306,645	-1.4%	7.4%
6	5	Midlothian	£265,370	£277,950	£274,454	-1.3%	3.4%
5	6	Stirling	£266,366	£259,217	£264,379	2.0%	-0.7%
7	7	Perth and Kinross	£238,115	£258,240	£258,445	0.1%	8.5%
8	8	Aberdeenshire	£225,350	£236,858	£241,210	1.8%	7.0%
10	9	West Lothian	£218,802	£236,225	£233,857	-1.0%	6.9%
12	10	Highland	£215,226	£231,080	£231,312	0.1%	7.5%
11	11	Orkney Islands	£216,049	£227,204	£226,816	-0.2%	5.0%
13	12	Argyll and Bute	£204,097	£229,069	£222,775	-2.7%	9.2%
9	13	Scottish Borders	£224,578	£220,376	£217,788	-1.2%	-3.0%
21	14	Shetland Islands	£176,453	£207,694	£210,909	1.5%	19.5%
19	15	Moray	£190,656	£199,805	£209,578	4.9%	9.9%
14	16	Fife	£199,114	£205,719	£208,285	1.2%	4.6%
17	17	Glasgow City	£192,162	£205,054	£206,971	0.9%	7.7%
18	18	Angus	£192,025	£202,683	£202,880	0.1%	5.7%
16	19	South Ayrshire	£194,079	£196,904	£200,463	1.8%	3.3%
20	20	South Lanarkshire	£184,680	£196,769	£195,456	-0.7%	5.8%
23	21	Clackmannanshire	£174,191	£191,558	£191,577	0.0%	10.0%
22	22	Falkirk	£174,974	£191,624	£188,881	-1.4%	7.9%
25	23	Dumfries and Galloway	£169,759	£189,598	£187,263	-1.2%	10.3%
15	24	Aberdeen City	£194,155	£181,915	£183,697	1.0%	-5.4%
24	25	Renfrewshire	£170,326	£183,077	£182,475	-0.3%	7.1%
26	26	Dundee City	£165,169	£166,111	£166,196	0.1%	0.6%
28	27	North Lanarkshire	£150,502	£164,270	£165,923	1.0%	10.2%
27	28	Na h-Eileanan Siar	£151,656	£153,610	£164,526	7.1%	8.5%
30	29	East Ayrshire	£145,556	£160,691	£157,928	-1.7%	8.5%
29	30	North Ayrshire	£148,825	£157,757	£157,853	0.1%	6.1%
32	31	West Dunbartonshire	£140,140	£148,401	£146,760	-1.1%	4.7%
31	32	Inverclyde	£143,585	£145,092	£143,898	-0.8%	0.2%
All Scotland			£210,689	£225,457	£225,520	0.0%	7.0%

Table 2 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for December 2021, as well as for November and December 2022, calculated on a seasonal- and mix-adjusted basis. The ranking in Table 2 is based on the local authority area's average house price for December 2022. Local Authority areas shaded in blue experienced record average house prices in December 2022.

Annual change

The average house price in Scotland in December 2022 has increased by some £14,800 - or 7.0% - over the last twelve months. This annual rate of growth has marginally decreased from November's revised 7.1%, but only by the smallest of margins. In fact, prices in December increased by just £63 in the month, but an increase is an increase, and somewhat remarkably this rise established yet another record average house price - £225,520 - for the tenth month this calendar year.

In December 2022, 29 of the 32 local authority areas in Scotland saw their average prices rise above the levels of twelve months earlier, the same number as in November. The three areas where values fell over the year were, in descending order, Aberdeen City (-5.4%), Scottish Borders (-3.0%) and Stirling (-0.7%). Aberdeen City has now fallen by nine places over the year to 24th in terms of its ranking of average prices compared to the other 31 local authorities in Scotland. This month in Aberdeen City, flats have experienced the largest fall in value, from an average £120k in December 2021 to £105k one year later.

The area with the highest annual increase in average house prices in December 2022 was the Shetland Islands, where average values have increased by 19.5% over the year. In the Shetland Islands, detached property values have seen the highest rise over the year, from £190k in December 2021 to £240k twelve months later, but this is based on a relatively small number of transactions. On the mainland, the highest annual increase was in East Renfrewshire, up by 17.7%. This increase has been assisted by the sale of a £2.3 million detached property in Giffnock, some nine miles to the south of Glasgow. The property is the most expensive home to have been sold in East Renfrewshire in the last five years.

On a weight-adjusted basis, which incorporates both the change in prices and the number of transactions involved, there are five local authority areas in December which accounted for 51% of the £14,800 increase in Scotland's average house price over the year. The five areas in descending order of influence are: - Edinburgh (25%); Glasgow (11%); East Renfrewshire (5%); North Lanarkshire (5%); and South Lanarkshire (5%).

Monthly change

In December 2022, Scotland's average house price rose in the month by just £63, or 0.0%. This follows November's rise in prices of some £1,100, but it does at least remain positive.

In December 2022, 17 of the 32 Local Authority areas in Scotland experienced rising prices in the month, which is the same number as in November. Of the 17 local authorities with price increases, 8 are in the top 16 areas when ranked by price, with 9 being in the lower half of the market. The distribution of those with price rises is therefore evenly matched between the higher- and lower-priced areas in Scotland.

The area with the largest increase in average prices on the mainland in December was Moray, up by 4.9%. This month, the increase in the average price in Moray was helped by the sale of a six-bedroom detached home, set in eight acres of land, located some 1.5 miles to the west of Elgin. It sold for £1.1 million which is the second most expensive property in Moray in 2022. It had previously been sold in June 2010 for £800k, which works out at an annual compound gain of 2.6%, over the period.

Peak Prices

Each month, in Table 2 above, the local authority areas which have reached a new record in their average house prices are highlighted in light blue. In December, there are 6 such authorities, down from the 8 in November. Scotland itself has also set a new record average house price of £225,520 in the month.

Scotland transactions of £750k or higher

Table 3. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – December 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	80
4	2	27	29	24	36	11	46	70
5	14	20	31	32	54	16	63	90
6	26	47	43	41	60	36	119	111
7	15	36	55	44	61	41	120	134
8	41	54	62	60	61	40	102	124
9	46	44	56	70	59	67	127	131
10	23	52	48	55	40	114	101	123
11	48	38	37	59	58	109	100	112
12	34	23	40	31	49	105	79	70
Total	555	445	460	537	582	651	1099	1198

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.

There were 114 such transactions recorded by RoS during the month, with 70 relating to December 2022, 34 to November 2022 and a further 10 from earlier months, increasing the number registered to date in 2022 to 1,198. This total already exceeds that of 2021, with a further 30 or so properties likely to be added to the total next month. Thus 2022 has proven to be the year with the largest number of high value sales in Scotland's housing history. Indeed, on the relatively safe assumption that a further 10 sales will be added to the December 2022 total, we can say that such sales in 2022 exceeded those in each month of 2021, except for March and June. It may be recalled that March 2021 was the last month in which the LBTT tax-holiday applied in Scotland – which explains the higher number of sales that occurred in that month. Similarly, June 2021 was the last month of the SDLT tax-holiday in England – which wouldn't have saved money for those buying a property in Scotland, but may have acted as an incentive for those moving to Scotland from England, so as to maximise the value of the home being sold.

Table 4 on the next page provides a listing of the local authority areas ranked by the number of sales in excess of or equal to £750,000 for the years from 2018 - 2022.

Table 4. The number of transactions in Scotland, from 2018 – 2022, greater than or equal to £750k, analysed by local authority area ([Link to source Excel](#))

PROPERTY SALES >= £750k	2018	2019	2020	2021	2022
City of Edinburgh	310	341	348	552	586
Glasgow City	42	28	44	93	82
East Lothian	23	39	53	61	70
Fife	17	27	25	42	62
Perth and Kinross	9	13	24	41	45
East Renfrewshire	16	14	18	37	44
Stirling	12	10	11	36	40
East Dunbartonshire	21	23	21	36	38
South Lanarkshire	12	17	11	23	27
Scottish Borders	6	3	11	33	25
West Lothian	8	8	10	7	20
Aberdeen City	16	20	16	24	18
Highland	5	4	3	15	17
Aberdeenshire	12	5	6	12	15
Midlothian	5	10	9	17	15
Argyll and Bute	2	6	5	8	14
Dumfries and Galloway	3	2	4	8	11
South Ayrshire	3	4	8	10	11
Inverclyde	1	1	2	9	10
Renfrewshire	4	1	6	6	9
North Ayrshire	0	2	1	4	7
Clackmannanshire	1	2	6	3	6
Falkirk	1	0	3	1	6
East Ayrshire	0	0	3	2	5
Moray	1	0	1	4	4
North Lanarkshire	1	1	1	2	4
Angus	2	1	0	9	3
Dundee City	3	0	1	3	2
Na h-Eileanan Siar	0	0	0	0	1
West Dunbartonshire	1	0	0	0	1
Orkney Islands	0	0	0	1	0
Shetland Islands	0	0	0	0	0
TOTAL	537	582	651	1099	1198

From these figures it can be seen that in 2022, the City of Edinburgh accounted for just over half of this sector of the housing market.

Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period from January 2007 to December 2022, based on RoS (Registers of Scotland) figures for the Date of Entry (December 2022 totals are based on RoS Application dates).

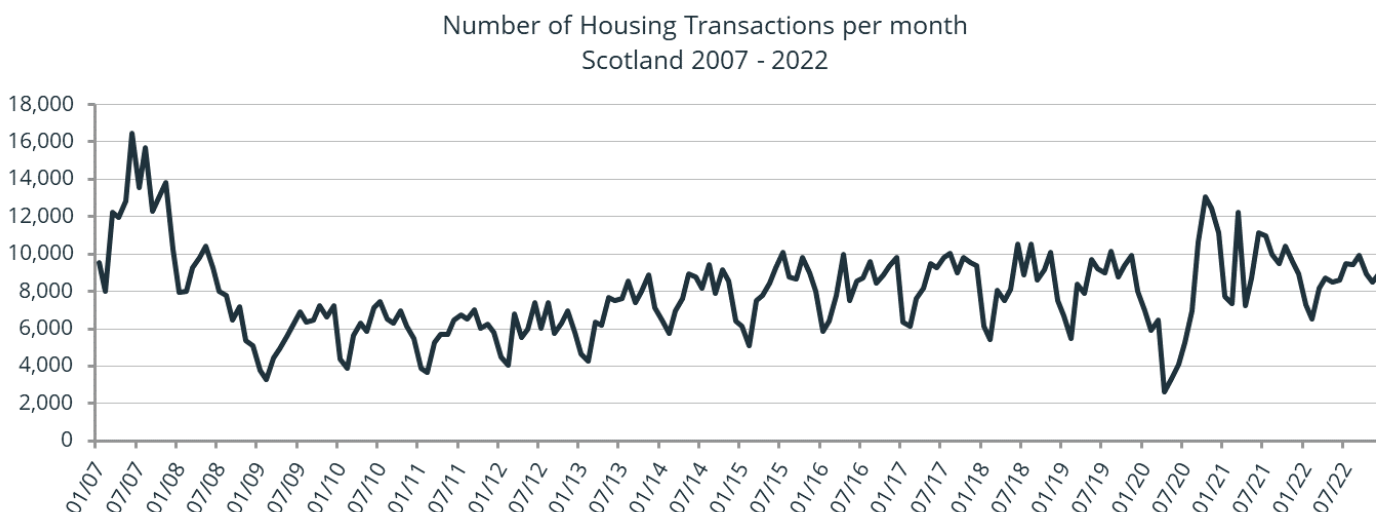
The graph starts in 2007, which was something of an exception, with close to 150,000 domestic property sales in the calendar year. The 2007 sales total is the largest of the last 18 years, although the period from 2004 to 2006 came close, with an average 139,000 sales on an annual basis.

However, during 2008 the banking industry began to suffer its credit crisis, with home loans becoming difficult to obtain, especially for first time buyers. Accordingly, the number of housing transactions fell to approximately 70,000 per year over the period from 2009 to 2012.

Normality was slowly restored from 2013, with sales rising to a yearly average of 87,500 over the period from 2013 to 2015, rising to an average 102,000 sales per annum from 2016 to 2019.

The effect of the Covid pandemic - which started in March 2020 - can be clearly seen on the graph. Housing transactions in April 2020 plummeted with the arrival of the pandemic, to be followed by a slow rise in sales as confidence began to return. Then followed a period when sales exceeded previous levels, from September 2020, as lifestyle changes and the LBTT tax-holiday pushed up demand - especially for properties with space to allow for working from home.

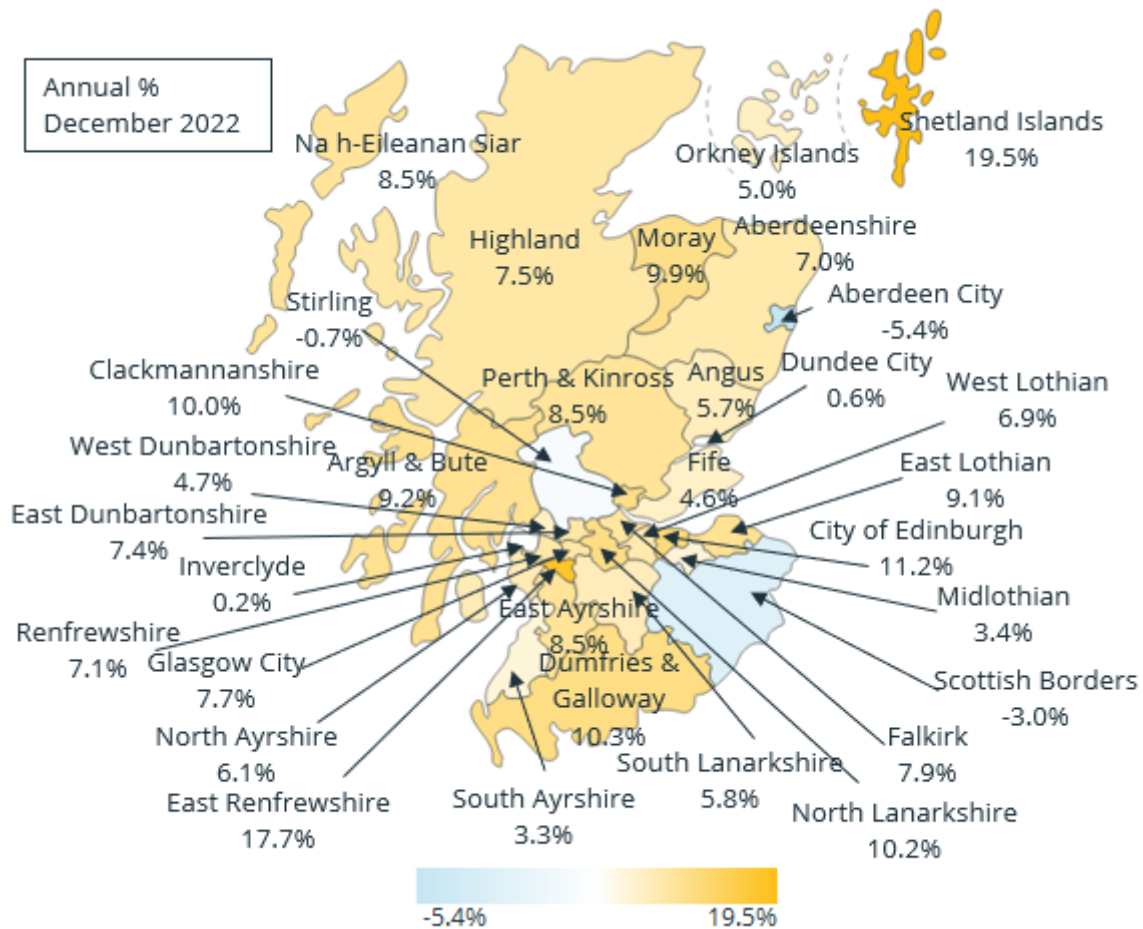
Figure 2. The number of sales per month recorded by RoS based on entry date from 2007 - 2022 ([Link to source Excel](#))



In Figure 2, three peaks can be seen after March 2020: in October 2020 (pent-up demand from the low transaction levels earlier in 2020) and March and June 2021 (LBTT and SDLT tax-holidays encouraging sales in both Scotland and England). In the first eleven months of 2022, transaction levels have averaged 8,563 sales per month, which closely matches the average 8,610 sales per month recorded in the first eleven months of 2019 - the last full year prior to Covid.

Heat Map

The heat map below shows the rate of house price growth for the 12 months ending December 2022. As reported above, 29 of the 32 local authority areas in Scotland have seen a rise in their average property values over the last year, the three exceptions being Aberdeen City, the Scottish Borders and Stirling. The highest increase on the mainland over the twelve months to December 2022 was in East Renfrewshire at 17.7%. 6 of the 32 local authority areas had price growth of 10.0% or higher – four fewer than in November 2022.



Comparisons with Scotland

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

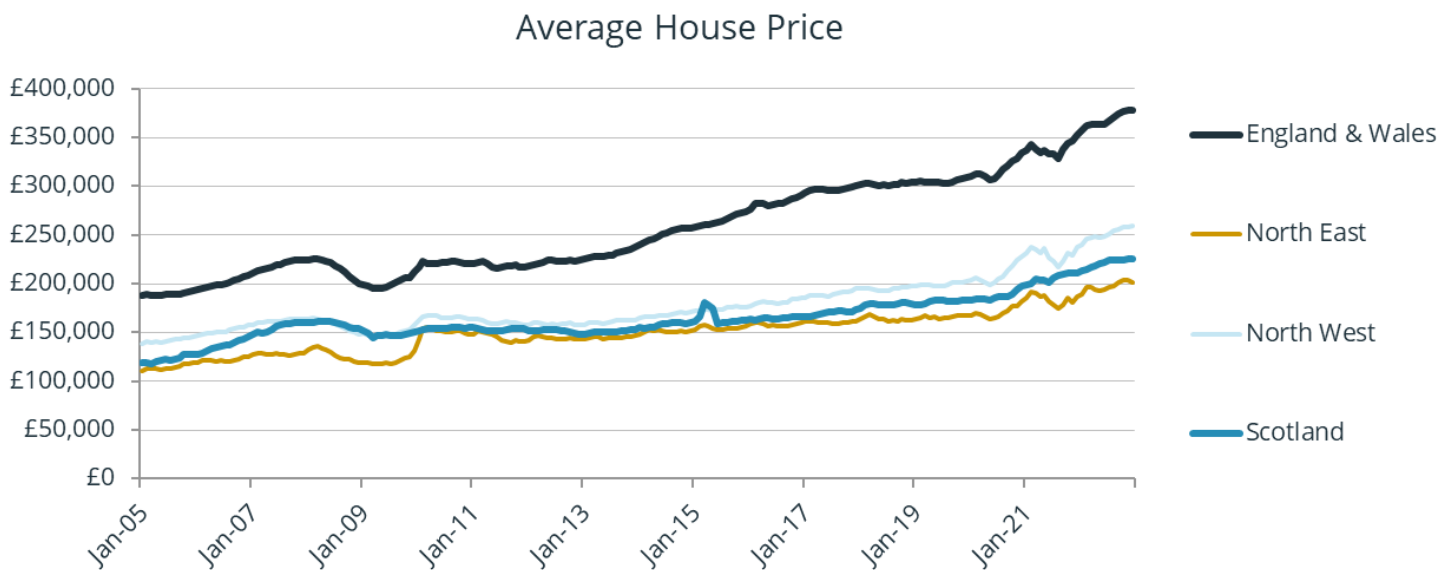
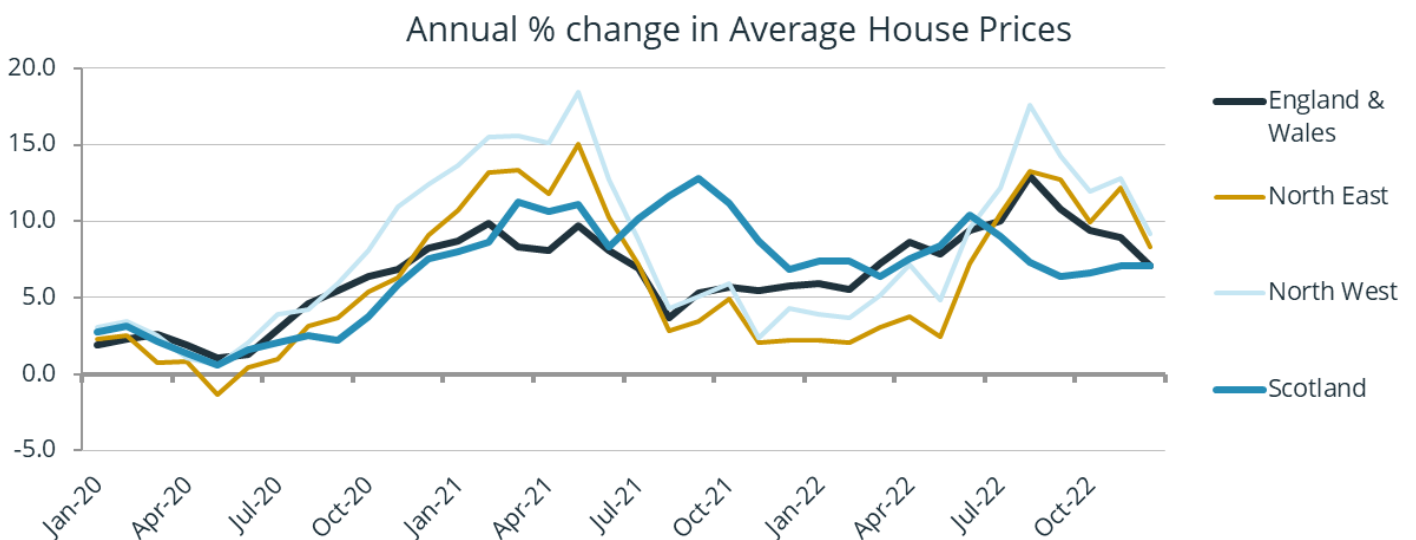


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020–December 2022 ([Link to source Excel](#))



Scotland's Eight Cities

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

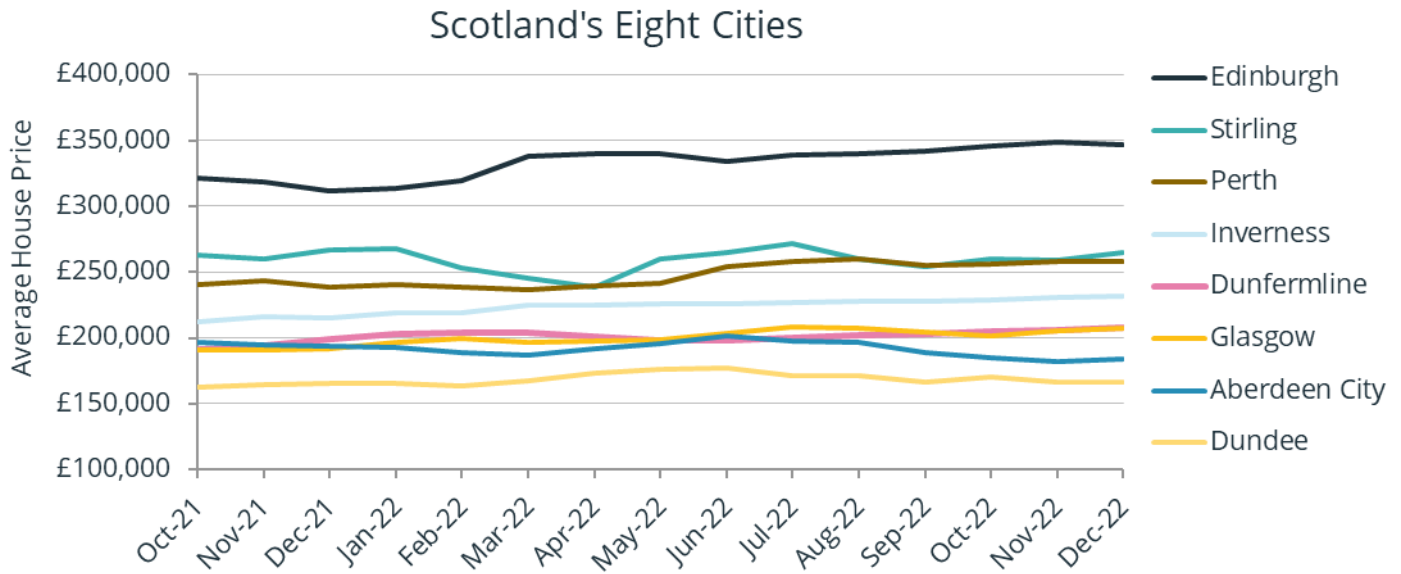
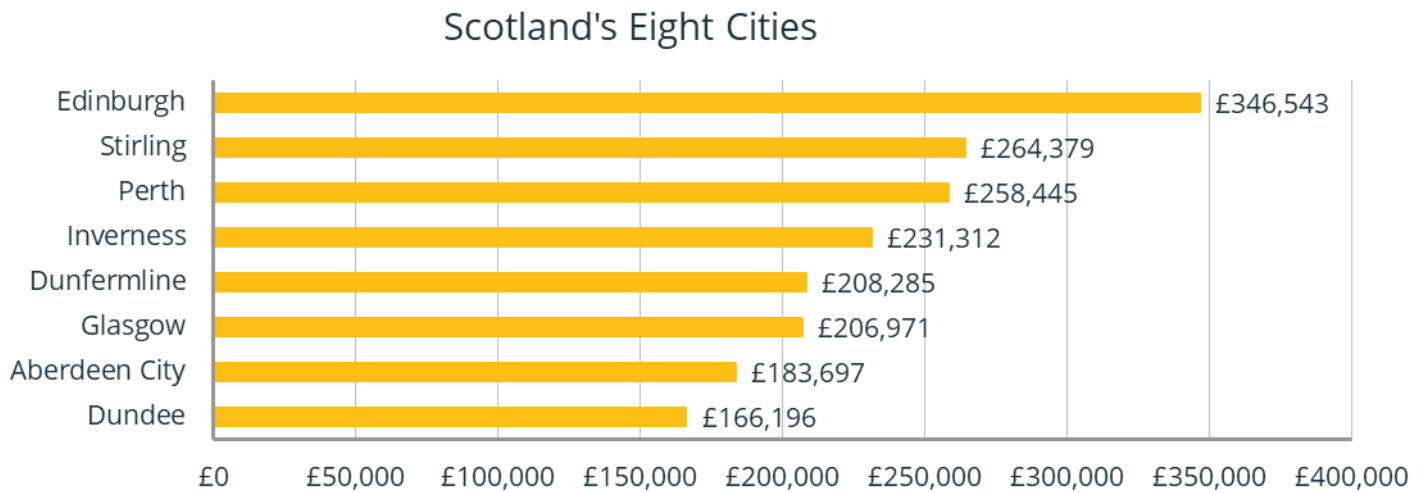


Figure 6. Average house prices for Scotland's eight cities December 2022 ([Link to source Excel](#))



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

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