



# House Price Index

## Scotland

January 2023



**- 0.9%**

monthly change



**4.6%**

annual change



**£222,668**

average  
house price

**Walker Fraser Steele**  
**Chartered Surveyors**

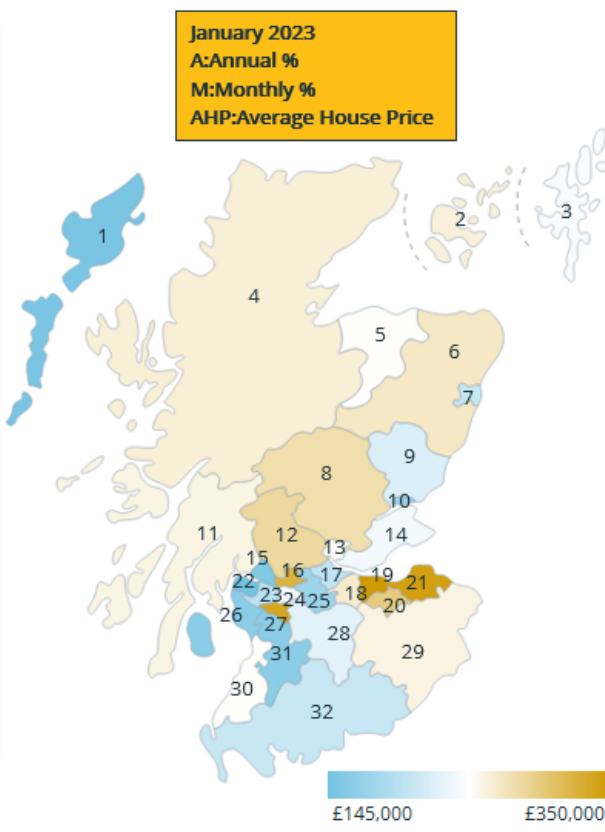
### January house prices fall by the largest amount in ten years

- ✓ Price of flats drops by 2.0% in January
- ✓ Top 11 authorities by value all see price reduction
- ✓ Fife sees largest fall in prices on a weight-adjusted basis

- 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 %
£222,668	291.6	-0.9	4.6

1 Na h-Eileanan Siar A -5.8% M -1.8% AHP £151,981	2 Orkney Islands A 4.5% M -1.1% AHP £226,851
5 Moray A 11.4% M 1.3% AHP £210,112	6 Aberdeenshire A 5.7% M -0.4% AHP £237,426
9 Angus A 0.8% M -4.1% AHP £192,434	10 Dundee City A -0.8% M -0.9% AHP £163,956
13 Clackmannanshire A 25.0% M 10.7% AHP £211,749	14 Fife A -0.5% M -3.2% AHP £201,915
17 Falkirk A 4.4% M -3.8% AHP £182,218	18 West Lothian A 4.0% M -0.3% AHP £233,571
21 East Lothian A 4.9% M -1.8% AHP £329,088	22 Inverclyde A 1.7% M 3.8% AHP £149,088
25 North Lanarkshire A 8.7% M 0.8% AHP £166,771	26 North Ayrshire A 6.9% M 1.4% AHP £159,197
29 Scottish Borders A -2.8% M 2.9% AHP £223,181	30 South Ayrshire A 9.4% M 5.2% AHP £210,030



3 Shetland Islands A 13.6% M -3.1% AHP £205,330	4 Highland A 4.4% M -1.2% AHP £228,439
7 Aberdeen City A -4.5% M -0.9% AHP £184,289	8 Perth & Kinross A 4.0% M -2.5% AHP £250,318
11 Argyll & Bute A 8.4% M -0.5% AHP £222,721	12 Stirling A -3.8% M -2.8% AHP £257,648
15 West Dunbartonshire A 10.7% M 4.6% AHP £155,040	16 East Dunbartonshire A 6.8% M -0.9% AHP £303,817
19 City of Edinburgh A 7.2% M -1.2% AHP £336,212	20 Midlothian A 5.0% M -0.5% AHP £274,014
23 Renfrewshire A 5.0% M -1.7% AHP £178,565	24 Glasgow City A 3.0% M -1.8% AHP £203,335
27 East Renfrewshire A 10.8% M -1.4% AHP £319,993	28 South Lanarkshire A 4.0% M -0.1% AHP £195,949
31 East Ayrshire A 7.7% M 0.9% AHP £159,015	32 Dumfries & Galloway A 5.9% M -2.0% AHP £184,385

Table 1. Average House Prices in Scotland for the period January 2022 – January 2023  
(The prices are end-month smoothed over a 3 month period) ([Link to source Excel](#))

Month	Year	House Price	Index	Monthly Change %	Annual Change %
January	2022	£212,957	278.9	1.0	7.4
February	2022	£214,400	280.8	0.7	7.4
March	2022	£217,493	284.8	1.4	6.4
April	2022	£218,724	286.5	0.6	7.6
May	2022	£221,264	289.8	1.2	8.4
June	2022	£222,145	290.9	0.4	10.4
July	2022	£224,117	293.5	0.9	9.0
August	2022	£223,804	293.1	-0.1	7.3
September	2022	£223,699	293.0	0.0	6.4
October	2022	£224,209	293.6	0.2	6.5
November	2022	£225,002	294.7	0.4	6.8
December	2022	£224,589	294.1	-0.2	6.6
January	2023	£222,668	291.6	-0.9	4.6

**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:

“The headline figures this month mark the first real change in direction for house price growth in Scotland since 2012.

“We are likely seeing a conflation of factors that have resulted in this fall. On a purely seasonal note, January and February are traditionally slower months for housing transactions in Scotland - partly as a result of estate agency Christmas closures and reduced daylight hours for viewings.

“However, a fall in the average house price was perhaps inevitable given the sudden rise in the cost of mortgage finance and the economic turmoil brought about by the Truss-Kwarteng mini-budget.

“But a fall in the average has not meant a fall across all property types. If we look beyond the headline average house price fall of -0.9%, we can see how the varied types of property stock fared differently over the month. During January it was the price of flats that fell the most, by -2.0%, followed by terraces, down by -1.6%, and semi-detached properties down by -0.6%. Meanwhile, the average price of detached homes remained steady during the month, with 0.0% price change. This is less surprising in so far as the more expensive detached properties tend to attract wealthier and more resilient buyers who are less impacted by the rising cost of mortgage finance.

“So, the average house price fall requires some perspective. We need to remember that in spite of the fall, the current average house price still remains some £9,700, or 4.6%, above the average price of twelve months earlier.”

## Commentary: John Tindale, Acadata Senior Housing Analyst

### The January housing market

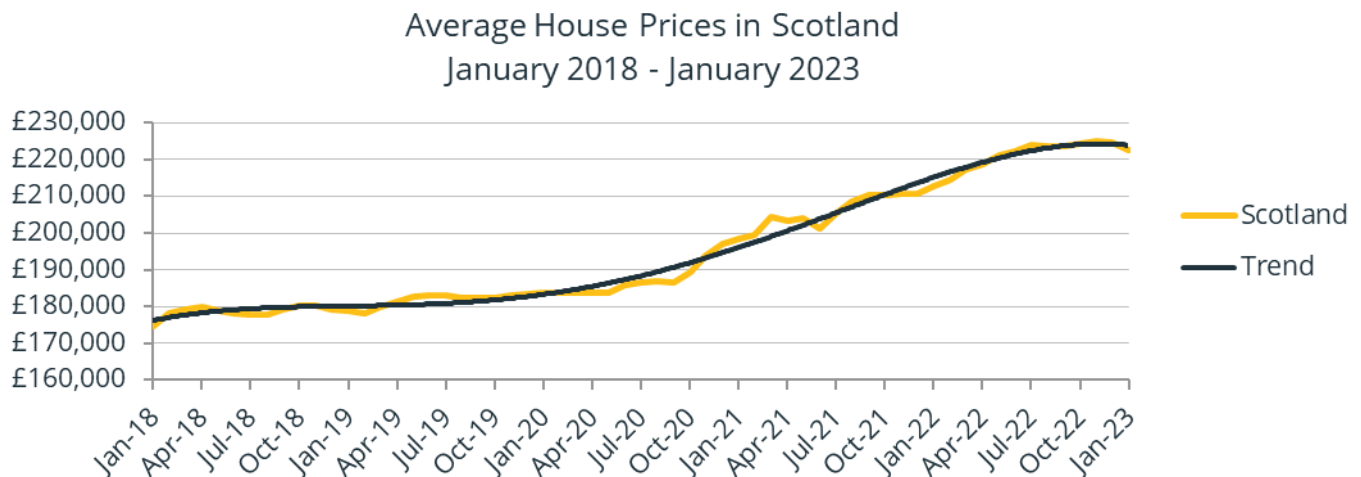
In January 2023, average house prices in Scotland fell by -£1,921, or -0.9%. Ignoring the price movements associated with the introduction of the LBTT tax in April 2015 and the termination of the LBTT tax holiday in April 2021, this is the largest fall in a single month since December 2012. During January it was the price of flats that fell the most, by -2.0%, followed by terraces, down by -1.6%, and semi-detached properties down by -0.6%. Meanwhile, the average price of detached homes remained steady during the month, with 0.0% price change.

So why the price fall? January and February are typically the weakest months of the year in Scotland's housing market. Transaction levels are at their lowest in these two months, which is in part to do with Christmas, when many estate agents remain closed over the holiday period, and in part due to the lack of daylight hours and inclement weather associated with these two winter months. When sales levels are low, minor trends – which might otherwise have been obscured by the larger number of sales in the other months of the year – can stand out. For example, estate agents have been reporting that the number of sales of properties which have previously been in the rental market is becoming more noticeable, with the government rent cap and future regulation changes deterring investors in this sector.

Even a small exodus of private investors in buy-to-let properties will have an impact on prices in the winter months. In Edinburgh, for example, the price of an average flat fell from £286k in December 2022 to £274k in January 2023, while in Glasgow average flat prices fell from £180k to £175k over the same period – with these two cities accounting for 42% of Scotland's flat sales in January.

Despite reporting the largest monthly fall in prices of the last ten years, the current average house price still remains some £9,700, or 4.6%, above the average price of twelve months earlier. Indeed, as can be seen from Figure 1 below, taking a view of price movements in Scotland over the last five years, the dip in prices in January 2023 is barely perceptible. The average house price in January 2018 was £174,637 compared to £222,668 in January 2023 – a £48,000, or 27.5% rise over the period. This increase in price equates to a compound interest rate of 5.0% over the five years – which is a reasonable rate of return, given that the official bank rate over this period was mostly lower than 0.75%.

Figure 1. The average house price in Scotland over the five year period January 2018 to January 2023 ([Link to source Excel](#))



## Local Authority Analysis

Table 2. Average House Prices in Scotland, by local authority area, comparing January 2022, December 2022 and January 2023 ([Link to source Excel](#))

Prior Year Rank	Rank By Price	Local Authority Area	Jan-22	Dec-22	Jan-23	Month % Change	Annual % Change
1	1	City of Edinburgh	£313,730	£340,144	£336,212	-1.2%	7.2%
2	2	East Lothian	£313,581	£335,035	£329,088	-1.8%	4.9%
3	3	East Renfrewshire	£288,837	£324,595	£319,993	-1.4%	10.8%
4	4	East Dunbartonshire	£284,495	£306,597	£303,817	-0.9%	6.8%
6	5	Midlothian	£260,947	£275,361	£274,014	-0.5%	5.0%
5	6	Stirling	£267,727	£265,194	£257,648	-2.8%	-3.8%
7	7	Perth and Kinross	£240,788	£256,724	£250,318	-2.5%	4.0%
9	8	Aberdeenshire	£224,718	£238,466	£237,426	-0.4%	5.7%
10	9	West Lothian	£224,569	£234,340	£233,571	-0.3%	4.0%
11	10	Highland	£218,722	£231,140	£228,439	-1.2%	4.4%
12	11	Orkney Islands	£217,082	£229,413	£226,851	-1.1%	4.5%
8	12	Scottish Borders	£229,678	£216,809	£223,181	2.9%	-2.8%
13	13	Argyll and Bute	£205,372	£223,802	£222,721	-0.5%	8.4%
25	14	Clackmannanshire	£169,414	£191,354	£211,749	10.7%	25.0%
19	15	Moray	£188,640	£207,452	£210,112	1.3%	11.4%
17	16	South Ayrshire	£191,995	£199,688	£210,030	5.2%	9.4%
21	17	Shetland Islands	£180,804	£211,816	£205,330	-3.1%	13.6%
15	18	Glasgow City	£197,464	£207,025	£203,335	-1.8%	3.0%
14	19	Fife	£202,973	£208,529	£201,915	-3.2%	-0.5%
20	20	South Lanarkshire	£188,441	£196,156	£195,949	-0.1%	4.0%
18	21	Angus	£190,947	£200,705	£192,434	-4.1%	0.8%
23	22	Dumfries and Galloway	£174,089	£188,117	£184,385	-2.0%	5.9%
16	23	Aberdeen City	£193,071	£185,941	£184,289	-0.9%	-4.5%
22	24	Falkirk	£174,501	£189,401	£182,218	-3.8%	4.4%
24	25	Renfrewshire	£170,140	£181,600	£178,565	-1.7%	5.0%
28	26	North Lanarkshire	£153,380	£165,389	£166,771	0.8%	8.7%
26	27	Dundee City	£165,208	£165,488	£163,956	-0.9%	-0.8%
29	28	North Ayrshire	£148,957	£156,933	£159,197	1.4%	6.9%
30	29	East Ayrshire	£147,672	£157,525	£159,015	0.9%	7.7%
32	30	West Dunbartonshire	£140,056	£148,183	£155,040	4.6%	10.7%
27	31	Na h-Eileanan Siar	£161,304	£154,827	£151,981	-1.8%	-5.8%
31	32	Inverclyde	£146,608	£143,663	£149,088	3.8%	1.7%
<b>All Scotland</b>			<b>£212,957</b>	<b>£224,589</b>	<b>£222,668</b>	<b>-0.9%</b>	<b>4.6%</b>

Table 2 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for January 2022, as well as for December 2022 and January 2023, 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 January 2023. Local Authority areas shaded in blue experienced record average house prices in January 2023.

## Annual change

The average house price in Scotland in January 2023 has increased by some £9,700 - or 4.6% - over the last twelve months. This annual rate of growth has decreased by -2.0% from December's revised 6.6%, which is the largest reduction in the annual growth rate of the last fourteen months.

However, in January 2023, 26 of the 32 local authority areas in Scotland were still seeing their average prices rise above the levels of twelve months earlier, only three fewer than in December. The six areas where values fell over the year were, in descending order, Na h-Eileanan Siar (-5.8%), Aberdeen City (-4.5%), Stirling (-3.8%), Scottish Borders (-2.8%); Dundee City (-0.8%) and Fife (-0.5%).

The area with the highest annual increase in average house prices in January 2023 was Clackmannanshire, up by 25.0%. However, there were only 33 transactions in Clackmannanshire in January 2023, which falls below the desired sample size to obtain a reasonably accurate average price. Consequently, we suggest that the result for Clackmannanshire is treated with a degree of caution this month. The same ruling also applies to the three Island groups of Na h-Eileanan Siar, the Shetland Islands and the Orkney Islands, where there were only 6, 14 and 16 sales in the month respectively.

On a weight-adjusted basis - which incorporates both the change in prices and the number of transactions involved - there were six local authority areas in January which accounted for 51% of the £9,700 increase in Scotland's average house price over the year. The six areas in descending order of influence are: - Edinburgh (23%); North Lanarkshire (7%); Glasgow (6%); Aberdeenshire (5%); East Renfrewshire (5%); and South Lanarkshire (5%).

## Monthly change

In January 2023, Scotland's average house price fell in the month by some -£1,900, or -0.9%. This is the largest fall in a single month since December 2012, some ten years ago, ignoring the rather artificial falls around the months relating to the introduction of the LBTT in April 2015, as well as the ending of the LBTT tax-holidays in April 2021.

In January 2023, 23 of the 32 Local Authority areas in Scotland experienced falling prices in the month, which is eight more than in December 2022. Of the 23 local authorities with price falls, 11 out of the top 11 areas when ranked by price all had price falls. Overall, it was the price of flats that saw the largest falls in the month, down by -2.0%, followed by terraces, down by -1.6%, with semi-detached properties down by -0.6%, while the average price of detached properties remained constant, with 0.0% change.

On a weight-adjusted basis, there were four local authority areas in January which accounted for 53% of the -£1,900 decrease in Scotland's average house price in the month. The four areas in descending order of influence are: - Fife (-16%); Glasgow (-15%); Edinburgh (-15%) and Falkirk (-7%). It is not surprising to find Glasgow and Edinburgh in this listing, given the fall in flat prices, as they are the two authorities with the highest percentage of flats being sold each month, at 67% and 63% of their respective transaction totals. On a similar theme, Fife has the highest proportion of terraced sales of all the 32 local authorities in Scotland at 27% - terraced properties also being popular among buy-to-let investors, who may have decided it is time to sell.

## 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 January, there are 4 such authorities, down from 6 in December.

## Scotland transactions of £750k or higher

Table 3. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – January 2023 ([Link to source Excel](#))

Sales of £750k+									
Month	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	33	27	19	35	43	49	65	88	52
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	135	
8	41	54	62	60	61	40	102	124	
9	46	44	56	70	59	67	127	133	
10	23	52	48	55	40	114	102	123	
11	48	38	37	59	58	109	100	90	
12	34	23	40	31	49	105	79	81	
<b>Total</b>	<b>555</b>	<b>445</b>	<b>460</b>	<b>537</b>	<b>582</b>	<b>651</b>	<b>1100</b>	<b>1191</b>	<b>52</b>

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 52 such transactions recorded by RoS relating to January 2023. Currently, this is the third-highest January total recorded to date, but there is likely to be an increase to this figure next month, as RoS process additional sales – we will have to wait and see whether the increase is sufficient to make the total the second-highest of the last nine years. There does however appear to be a slight decrease from the number of high-value sales occurring in 2022 – but it is too early to be confident that the total of such sales will be higher or lower in 2023 than in the previous year.

There were three properties sold in Scotland in January having a value of £3 million or higher: an architect-designed 4 bedroom 2012 property in Maidens, Ayrshire, with views over the Firth of Clyde, which sold for £3.1 million; a “Baronial Style” 6 bedroom detached home in Colinton, Edinburgh, 3½ miles south-west of the city centre, which sold for £3.075 million; and a detached home, about a mile from the Muirfield golf course in Gullane, North Berwick, which sold for £3.0 million. It is good to know that, alongside the potential gloom in January’s housing market, high-value homes in splendid locations are continuing to attract willing buyers.

## Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period from January 2007 to January 2023, based on RoS (Registers of Scotland) figures for the Date of Entry (January 2023 totals are based on RoS Application dates).

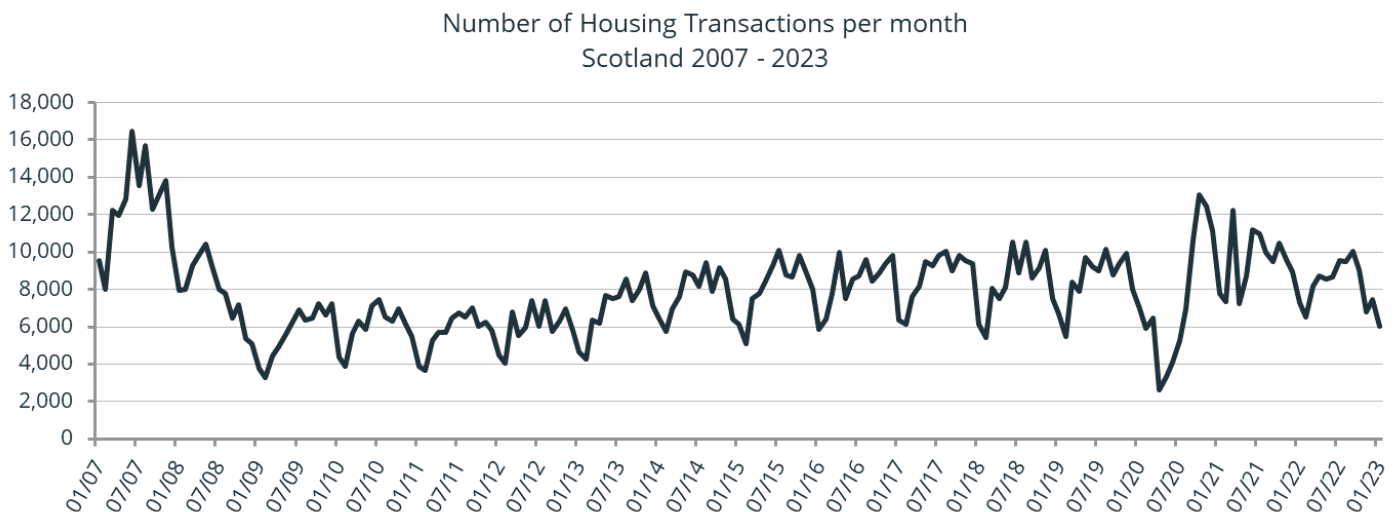
The graph starts in 2007, which was something of an exception, with close to 150,000 domestic property sales in the calendar year. The 2007 sales total is the largest of the last 18 years, although the period from 2004 to 2006 came close, with an average 139,000 sales on an annual basis.

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 - 2023 ([Link to source Excel](#))*



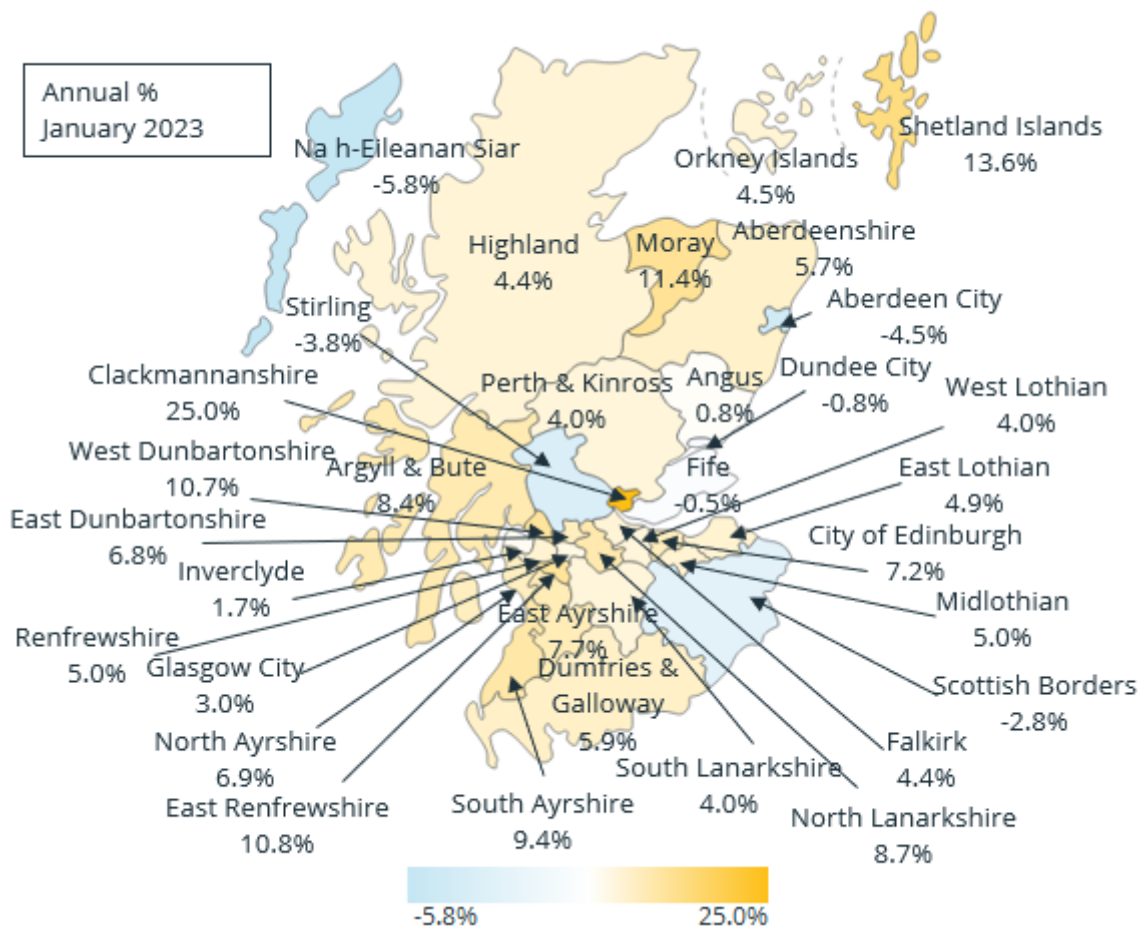
In Figure 2, three peaks can be seen after March 2020: in October 2020 (pent-up demand from the low transaction levels earlier in 2020) and March and June 2021 (LBTT and SDLT tax-holidays encouraging sales in both Scotland and England). The dip in housing activity in January and February of each year is also clearly visible. For the record, the average number of transactions in January and February over the ten-year period from 2013 to 2022 was 6,476 and 5,717 respectively, compared to an average 8,633 sales for the remaining ten months.

In 2022, transaction levels have averaged 8,358 sales per month, which is down 2.4% on the 8,561 average sales that took place in 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 January 2023. As reported above, 26 of the 32 local authority areas in Scotland have seen a rise in their average property values over the last year, the six exceptions being Na h-Eileanan Siar, Aberdeen City, Stirling, the Scottish Borders, Dundee City and Fife. The highest increase on the mainland over the twelve months to January 2023 was in Clackmannanshire at 25.0%, although this was based on a relatively small number of sales. In second place on the mainland was Moray at 11.4%. 5 of the 32 local authority areas had price growth of 10.0% or higher – one fewer than in December 2022.



### Comparisons with Scotland

Figure 3. Scotland house prices, compared with England and Wales, North East and North West for the period January 2005-January 2023 ([Link to source Excel](#))

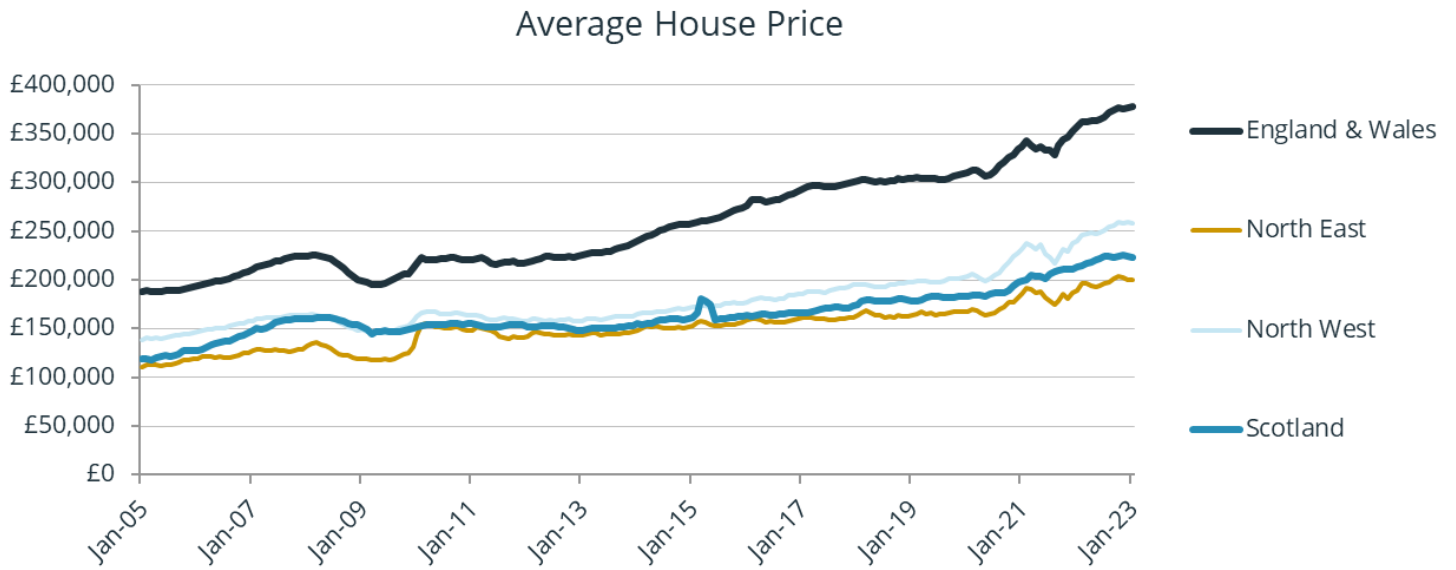
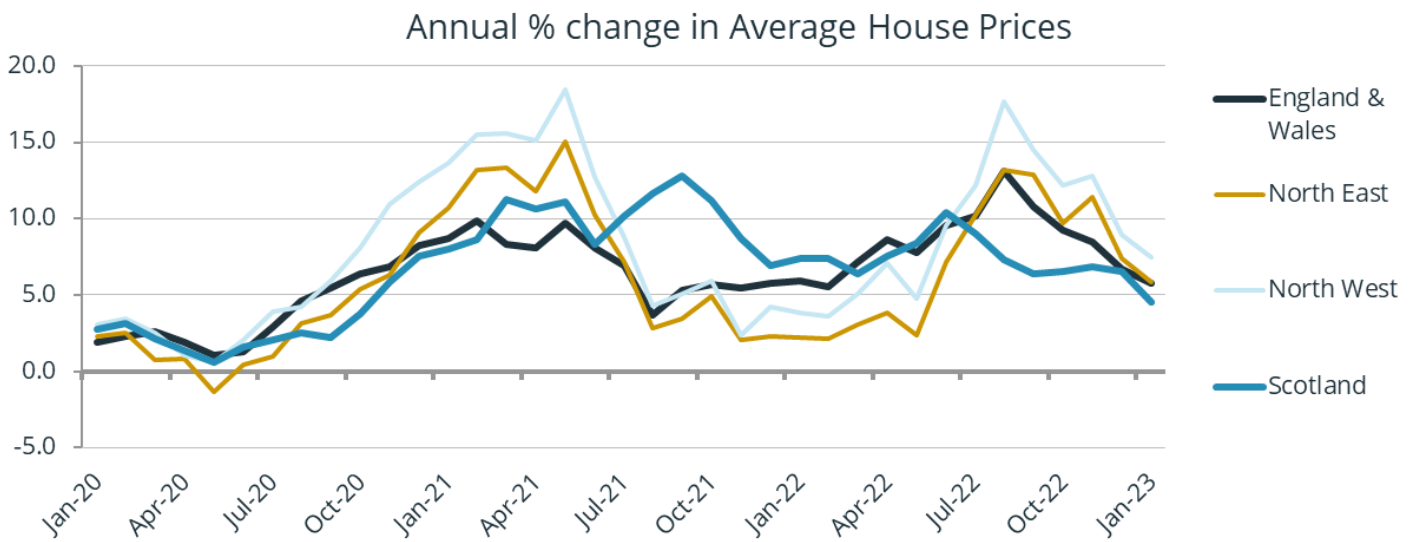


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020-January 2023 ([Link to source Excel](#))



## Scotland's Eight Cities

Figure 5. Average house prices for Scotland's eight cities from November 2021-January 2023 ([Link to source Excel](#))

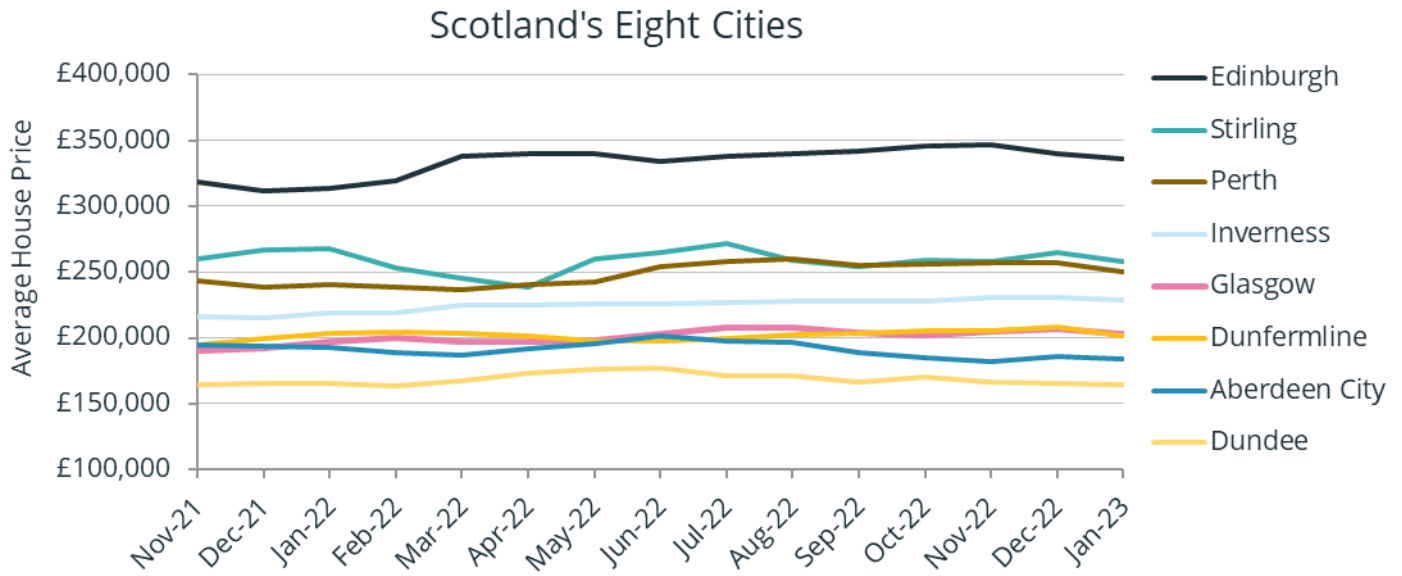
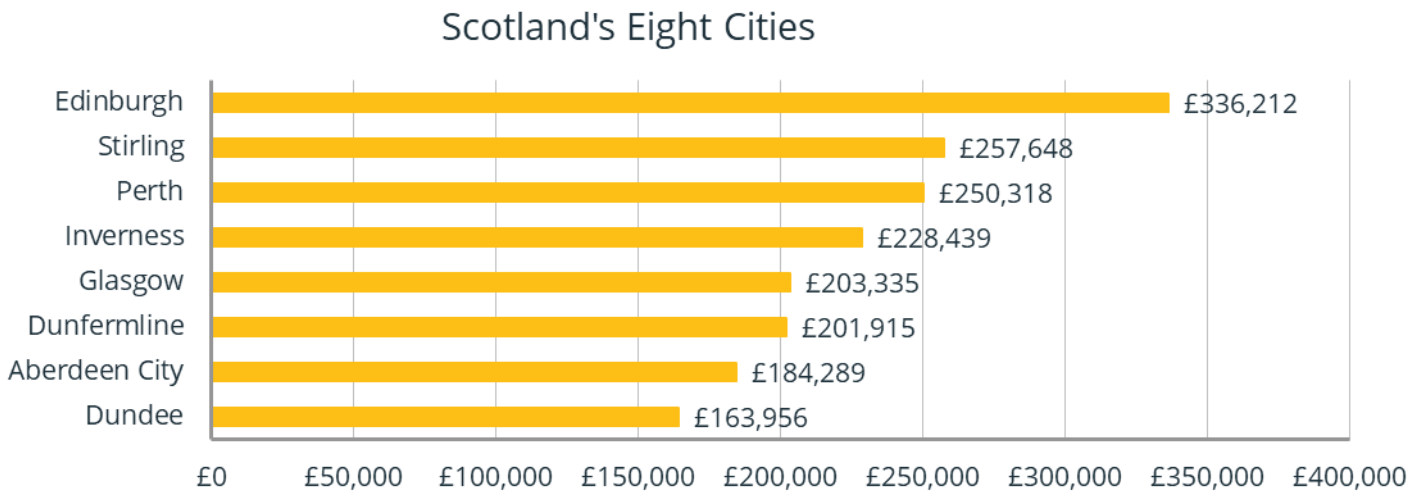


Figure 6. Average house prices for Scotland's eight cities January 2023 ([Link to source Excel](#))



## 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](http://www.walkerfrasersteele.co.uk)

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