

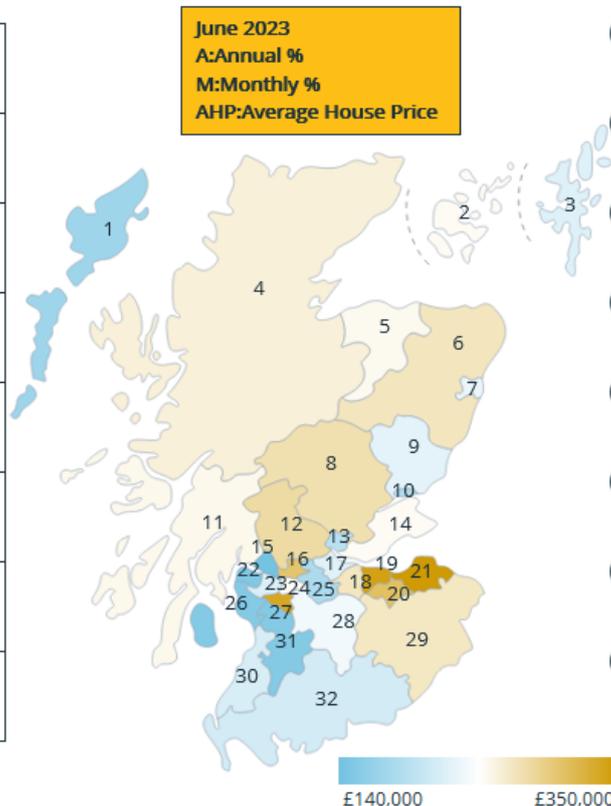
### Prices rise in June for third consecutive month

- Higher value areas in Edinburgh and Glasgow in strong demand
- East Lothian continues as authority with highest average price
- Edinburgh returns to positive annual growth
- Transactions are at lowest level of last ten years

- 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 %
£224,249	293.7	0.4	1.6

1 Na h-Eileanan Siar A 20.1% M 2.1% AHP £161,624	2 Orkney Islands A -5.1% M -6.3% AHP £209,032
5 Moray A 3.6% M -1.6% AHP £211,850	6 Aberdeenshire A 0.2% M -0.1% AHP £239,917
9 Angus A -2.1% M 1.5% AHP £191,150	10 Dundee City A -4.0% M 0.2% AHP £169,552
13 Clackmannanshire A -11.9% M -2.8% AHP £172,707	14 Fife A 6.6% M 2.3% AHP £208,328
17 Falkirk A 1.7% M 1.3% AHP £189,366	18 West Lothian A 1.9% M 1.3% AHP £239,701
21 East Lothian A 12.8% M -1.4% AHP £348,716	22 Inverclyde A 14.6% M 4.0% AHP £147,991
25 North Lanarkshire A 4.3% M 0.2% AHP £167,321	26 North Ayrshire A -2.7% M -1.8% AHP £150,025
29 Scottish Borders A 3.2% M -0.2% AHP £237,121	30 South Ayrshire A -5.1% M -3.6% AHP £185,764



3 Shetland Islands A -4.1% M -2.0% AHP £188,816	4 Highland A -0.5% M -2.7% AHP £224,761
7 Aberdeen City A -3.1% M 2.3% AHP £193,703	8 Perth & Kinross A -1.3% M -2.9% AHP £248,727
11 Argyll & Bute A -2.9% M -2.0% AHP £213,846	12 Stirling A -2.3% M -1.4% AHP £255,630
15 West Dunbartonshire A -0.7% M 3.1% AHP £142,740	16 East Dunbartonshire A -6.4% M -1.2% AHP £286,898
19 City of Edinburgh A 1.5% M 2.0% AHP £338,937	20 Midlothian A 9.8% M 0.2% AHP £293,441
23 Renfrewshire A 5.4% M 0.8% AHP £186,776	24 Glasgow City A 2.8% M 3.3% AHP £208,137
27 East Renfrewshire A 6.0% M -3.1% AHP £330,020	28 South Lanarkshire A 1.8% M 0.2% AHP £196,665
31 East Ayrshire A -1.4% M -3.5% AHP £149,806	32 Dumfries & Galloway A -4.6% M -3.3% AHP £183,475

Table 1. Average House Prices in Scotland for the period June 2022 – June 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 %
June	2022	£220,783	289.2	0.4	10.3
July	2022	£222,268	291.1	0.7	8.9
August	2022	£222,286	291.1	0.0	7.2
September	2022	£222,271	291.1	0.0	6.3
October	2022	£222,440	291.3	0.1	6.4
November	2022	£222,718	291.7	0.1	6.7
December	2022	£222,448	291.3	-0.1	6.5
January	2023	£221,091	289.6	-0.6	4.5
February	2023	£219,721	287.8	-0.6	2.9
March	2023	£219,456	287.4	-0.1	1.3
April	2023	£221,116	289.6	0.8	1.4
May	2023	£223,455	292.7	1.1	1.6
June	2023	£224,249	293.7	0.4	1.6

**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 Scottish housing market has seen another increase in average prices for the third month in succession. The average house price has risen in June by £800, or 0.4%, and the average house price in Scotland now stands at £224,249, which is £3,466, or 1.6%, higher than twelve months earlier.

“In June, 15 of the 32 local authority areas in Scotland, nine fewer than in May, experienced rising prices in the month. In Edinburgh, all properties saw an increase in prices over the month, with the largest increase being in flats, up from an average £275k in May to £280k in June.

“It is worth noting that the property market started with the lowest volume of January sales of the last nine years, at 5,865 transactions, although this has now increased at the end of June to on average 7,000 sales per month, however this still remains the lowest monthly level since 2013.

“Affordability has become the key issue in mortgage lending and is impacting potential buyers. Inflation continues to register at a high level across the UK, and coupled with the increased interest rates, it makes the resilience of the Scottish housing market so far this year all the more remarkable.”

## Commentary: John Tindale, Acadata Senior Housing Analyst

### The June housing market

Scotland's housing market in June has shown a further increase in average prices, despite the economic headwinds of higher interest rates, increased consumer inflation and diminishing affordability. The average house price has risen in June by some £800, or 0.4%, and represents the third month in succession in which prices have risen. Scotland's average house price now stands close to £224,250, which is £3,466, or 1.6%, higher than twelve months earlier. It also establishes a new record price for Scotland for the second month running.

Figure 1. Scotland's average house price for the period from March 2020 to June 2023 ([Link to source Excel](#))

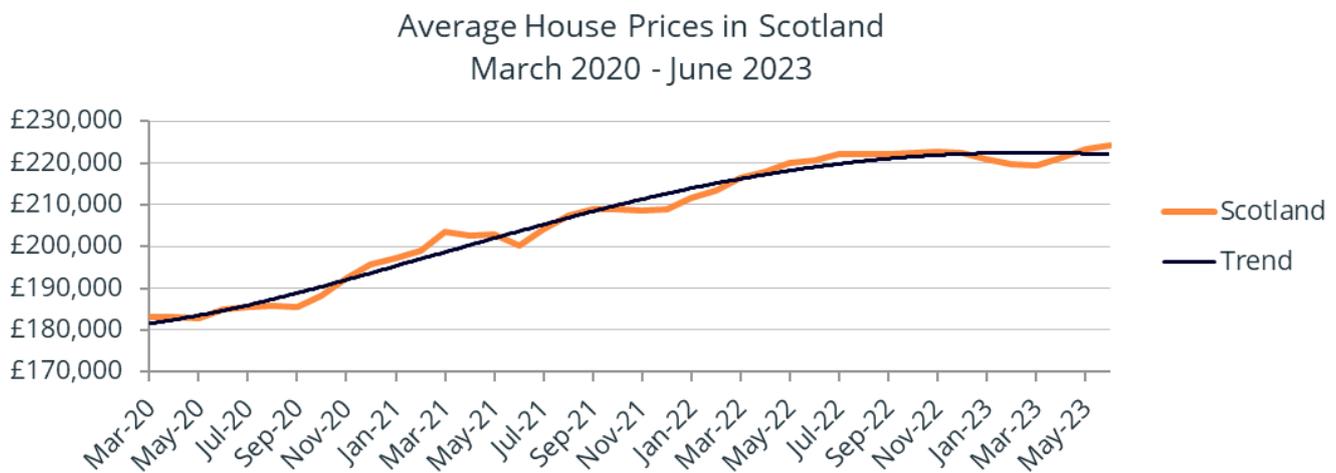


Figure 1 shows the movement in average house prices in Scotland from March 2020 - at the start of the pandemic, when the price was £183,000 - to June 2023. This amounted to an increase of £41,250, or 22.5%, over the period, and compares to an increase of 19.2% in the CPIH Index - so in real terms (after allowing for consumer price inflation) the average house price in Scotland since the start of the pandemic has risen by 3.3%.

One of the unusual features of Scotland's housing market in June is that just four cities account for 80% of the change in Scotland's average house price in the month, when calculated on a weight-adjusted basis. The four cities are Glasgow (31%), Edinburgh (29%), Fife (13%) and Aberdeen (7%). Both Glasgow and Edinburgh have seen sales take place in their most expensive areas:- in Glasgow a flat was sold in Park Terrace for £1.12 million and in Edinburgh the fourth-most expensive property of the year was sold in June in Drumsheugh Gardens for £2.3 million. In Fife, the most expensive flat of the year - overlooking the Old Course in St Andrews - was sold for £2.01 million. And finally, in Aberdeen, there was the sale of the most expensive detached property of the year in Cults, a suburb to the west of Aberdeen City, for £1.2 million.

If, for instance, the four high-value sales mentioned above were removed from the June sales listings, then the revised average house price for Scotland would reduce from its calculated level by an overall £270, or 33% of the actual gain seen in June - this perhaps provides a perspective on the extent to which such prime sales have influenced Scotland's overall house price.

However, there is no denying that the sales actually took place in June, and that such transactions form part of Scotland's housing heritage, with the sale of grand terraced homes in cities such as Glasgow and Edinburgh being relatively frequent features of the market. For example, Table 3 on

page 6 shows that 77 homes were sold in June with a value in excess of £750k, with that number likely to increase as further registrations for the month are processed by Registers of Scotland.

## Local Authority Analysis

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

Prior Year Rank	Rank By Price	Local Authority Area	Jun-22	May-23	Jun-23	Month % Change	Annual % Change
3	1	East Lothian	£309,122	£353,781	£348,716	-1.4%	12.8%
1	2	City of Edinburgh	£333,806	£332,410	£338,937	2.0%	1.5%
2	3	East Renfrewshire	£311,251	£340,460	£330,020	-3.1%	6.0%
5	4	Midlothian	£267,142	£292,817	£293,441	0.2%	9.8%
4	5	East Dunbartonshire	£306,502	£290,420	£286,898	-1.2%	-6.4%
6	6	Stirling	£261,631	£259,202	£255,630	-1.4%	-2.3%
7	7	Perth and Kinross	£252,088	£256,143	£248,727	-2.9%	-1.3%
8	8	Aberdeenshire	£239,378	£240,235	£239,917	-0.1%	0.2%
9	9	West Lothian	£235,331	£236,550	£239,701	1.3%	1.9%
10	10	Scottish Borders	£229,793	£237,557	£237,121	-0.2%	3.2%
11	11	Highland	£225,918	£230,994	£224,761	-2.7%	-0.5%
13	12	Argyll and Bute	£220,147	£218,184	£213,846	-2.0%	-2.9%
14	13	Moray	£204,489	£215,372	£211,850	-1.6%	3.6%
12	14	Orkney Islands	£220,225	£223,022	£209,032	-6.3%	-5.1%
20	15	Fife	£195,504	£203,571	£208,328	2.3%	6.6%
15	16	Glasgow City	£202,492	£201,404	£208,137	3.3%	2.8%
22	17	South Lanarkshire	£193,163	£196,334	£196,665	0.2%	1.8%
16	18	Aberdeen City	£199,831	£189,303	£193,703	2.3%	-3.1%
21	19	Angus	£195,194	£188,295	£191,150	1.5%	-2.1%
24	20	Falkirk	£186,267	£186,922	£189,366	1.3%	1.7%
17	21	Shetland Islands	£196,983	£192,653	£188,816	-2.0%	-4.1%
25	22	Renfrewshire	£177,216	£185,252	£186,776	0.8%	5.4%
19	23	South Ayrshire	£195,752	£192,671	£185,764	-3.6%	-5.1%
23	24	Dumfries and Galloway	£192,342	£189,752	£183,475	-3.3%	-4.6%
18	25	Clackmannanshire	£195,993	£177,729	£172,707	-2.8%	-11.9%
26	26	Dundee City	£176,597	£169,242	£169,552	0.2%	-4.0%
27	27	North Lanarkshire	£160,401	£167,032	£167,321	0.2%	4.3%
31	28	Na h-Eileanan Siar	£134,522	£158,289	£161,624	2.1%	20.1%
28	29	North Ayrshire	£154,236	£152,766	£150,025	-1.8%	-2.7%
29	30	East Ayrshire	£151,999	£155,288	£149,806	-3.5%	-1.4%
32	31	Inverclyde	£129,187	£142,313	£147,991	4.0%	14.6%
30	32	West Dunbartonshire	£143,808	£138,471	£142,740	3.1%	-0.7%
<b>All Scotland</b>			<b>£220,783</b>	<b>£223,455</b>	<b>£224,249</b>	<b>0.4%</b>	<b>1.6%</b>

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

## Annual change

The average house price in Scotland in June 2023 has increased by £3,466 - or 1.6% - over the last twelve months. The 1.6% annual rate of growth is the same as the revised rate for May 2023, although in cash terms it is £60 less than the gain of £3,527 seen in May.

In June 2023, 16 of the 32 local authority areas in Scotland were seeing their average prices rise above the levels of twelve months earlier, four fewer than in May. Interestingly, only three of the top ten areas ranked by value had price falls over the year, whereas seven of the bottom ten areas ranked by value saw prices fall. There would thus appear to be a trend in June that it is the high-value areas that have had rising prices over the year, with the lower value areas seeing prices fall. This month, Edinburgh has returned to a positive movement in its prices over the previous twelve month, after three consecutive months of price falls.

The area on the mainland with the highest annual increase in average house prices in June 2023 was Inverclyde, at 14.6%, with the largest gains over the year being in flats, up from an average £84,000 in June 2022, to £97,000 in June 2023. The average flat price in Inverclyde in June 2023 was assisted by the sale of a four-bedroom property with views out to the River Clyde in Fort Matilda, Greenock, for £430,000 – the highest priced flat sold in Inverclyde over the last eighteen months.

Looking at the change in prices on a weight-adjusted basis over the last twelve months - which incorporates both the change in prices and the number of transactions involved - there were four local authority areas in June which accounted for 53% of the £3,466 increase in Scotland's average house price over the year. The four areas, in descending order of influence, are: – East Lothian (16%); Fife (15%); Glasgow (12%) and Edinburgh (10%).

## Monthly change

In June 2023, Scotland's average house price rose in the month by some £800, or 0.4%. The increase is some £1,500 less than the near £2,300 growth in prices one month earlier in May 2023. In June 2023, 15 of the 32 Local Authority areas in Scotland experienced rising prices in the month, nine fewer than in May. Of the 15 local authorities with price increases in May, 5 are in the top half when ranked by price, and 10 in the lower half.

The largest increase in average prices in the month was in Inverclyde, up by 4.0% (Inverclyde is discussed above). In second place is Glasgow City, where prices have risen by 3.3% in the month. This increase was assisted in June by the sale of a flat in Park Terrace, one of the most desirable areas in the city, for £1.12 million. This helped raise the average price of flats in the city from £170k in May to £180k in June.

As discussed on page 3, on a weight-adjusted basis, there were four authorities accounting for 80% of the £800 increase in prices in the month, being Glasgow (31%), Edinburgh (29%), Fife (13%) and Aberdeen City (7%). In Edinburgh all property types saw an increase in prices over the month, with the largest increase being in flats, up from an average £275k in May to £280k in June.

## 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 June 2023, there were 5 such authorities, the same number as in May. Interestingly, the highest local authority area with a record average price this month is Fife, ranked in 15th place by value, followed by Glasgow, which is ranked in 16th position. Also of interest is that Scotland's overall average price is similarly at a record – for the second month in succession.

## Scotland transactions of £750k or higher

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

Sales of £750k+									
Month	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	33	27	19	35	44	49	65	88	75
2	42	20	15	52	26	33	62	68	53
3	231	57	25	34	35	30	115	80	76
4	2	27	29	24	36	11	46	70	65
5	14	20	31	32	54	16	63	90	66
6	26	47	43	41	60	36	119	111	77
7	15	36	55	44	61	41	121	135	
8	41	54	62	60	61	40	102	126	
9	46	44	56	70	59	67	127	134	
10	23	52	48	55	40	114	102	124	
11	48	38	37	59	58	109	101	114	
12	34	23	40	31	49	105	79	82	
<b>Total</b>	<b>555</b>	<b>445</b>	<b>460</b>	<b>537</b>	<b>583</b>	<b>651</b>	<b>1102</b>	<b>1222</b>	<b>412</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 77 such transactions recorded by RoS relating to June 2023. Currently, this is the third-highest June total recorded to date, which is likely to remain as such despite the likelihood that RoS will process further high value properties for the month.

Looking at the number of high-value properties sold in the first six months of each year in Table 3, 2022 is ranked first with 507 high-value sales followed by 2021 with 470. 2023 is ranked in third place – although the March total for 2021 is perhaps artificially high, having been boosted immediately prior to the ending of the Covid related LBTT tax-holiday in April 2021.

However, there is a clear trend, in that the totals in each of the first six months of 2023 are lower than those in 2022, suggesting that some of the enthusiasm that existed in the 2022 housing market for the purchase of large country homes has dissipated.

Edinburgh accounts for 188 of the 412 high-value sales (46%) that have been recorded to date by RoS in 2023, compared to 48% in 2022. There are two local authority areas having an equal second-highest

number of sales in excess of £750k in 2023 - these were Glasgow City and East Lothian, but with just 28 such sales apiece, followed by Fife with 23 and Perth and Kinross with 21.

## Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period from January 2015 to June 2023, based on RoS (Registers of Scotland) figures for the Date of Entry (except for June 2023, which is based on RoS Application Dates).

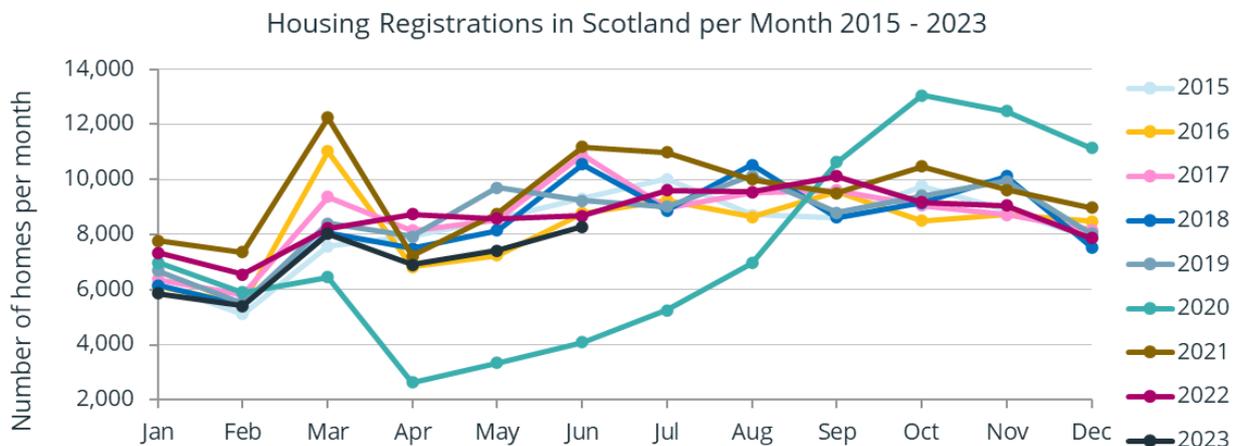
The chart shows how, in general, June transactions tend to be at a peak in the number of sales recorded during the first six months of each year (4 out of 9 occasions).

There are perhaps four lines on the chart which deserve a mention. The turquoise line of 2020 gives a brief picture of how sales slumped in April 2020, following the outbreak of the pandemic in March 2020 and the instructions issued at the time to work from home (if not employed in an essential service). As can be seen, property sales slowly increased during the remainder of 2020, with an acceleration taking place during the latter part of 2020 - the LBTT tax-holiday having been introduced on 15th July 2020 and continuing up to 31st March 2021.

The second line of interest is the brown line of 2021. As mentioned above, the year started with the LBTT tax-holiday in place until 31 March 2021 - and the peak in sales which occurred in that month as the tax holiday came to its end can be plainly seen. This was followed by a slump in sales in April - a typical feature associated with the ending of a tax-holiday - but sales slowly returned to relatively high levels as the mantra for "the race for space" and "working from home" took place. 2021 proved to be the year with the highest number of sales, an average 9,500 transactions per month, over the pandemic period.

Although 2022, the pink line, started well with an average 8,600 sales per month to the end of August, Liz Truss came into power on 6 September 2022, with her mini-budget raising the interest rate to 2.25%, on 22 September 2022. Ms Truss departed as Prime Minister on 25 October 2022. The bank rate was further increased on 3 November and 15 December 2022, ending the year at 3.5%. The graph shows the decline in monthly transactions over the period from October to December 2022.

Figure 2. The number of sales per month recorded by RoS based on entry date from 2015 - 2023 ([Link to source Excel](#))

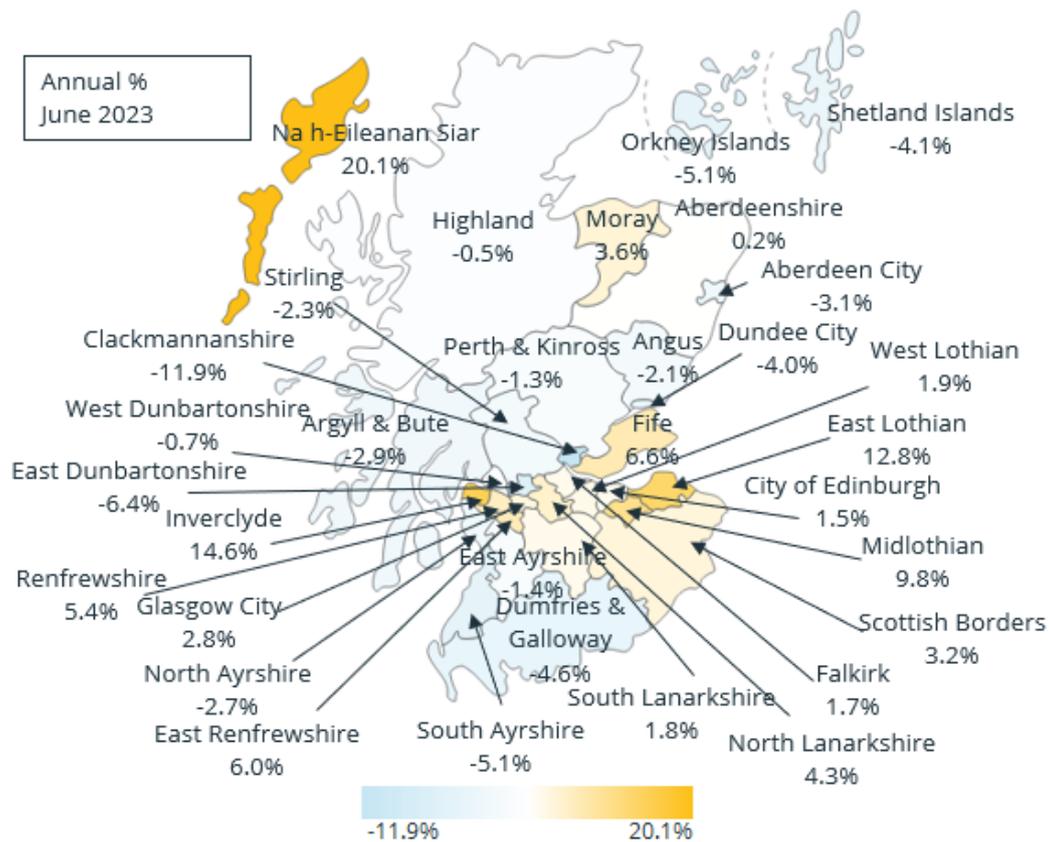


Finally, we have the black line of 2023. The year started with the lowest volume of January sales of the last nine years, at 5,865 transactions, and although this has now risen by the end of June to an average 7,000 sales per month, it still remains the lowest monthly level (excluding 2020) since 2013. The Bank rate is one of the prime reasons for the slowing in sales, having now reached 5.25% - the highest level of the last 15 years.

However, despite the relatively high interest costs, demand for some sectors of the property markets remains strong, and - as discussed on page 3 - the high-value end of the market continues to generate sales, maintaining prices at record levels in Scotland overall.

## Heat Map

The heat map below shows the rate of house price growth for the 12 months ending June 2023. As reported above, 16 of the 32 local authority areas in Scotland have seen a rise in their average property values over the last year.



The highest increase on the mainland over the twelve months to June 2023 was in Inverclyde, up by 14.6%, followed by East Lothian at 12.8% and Midlothian at 9.8%. At the other end of the scale, it was Clackmannanshire that had the largest fall in prices over the previous twelve months at -11.9%.

## Comparisons with Scotland

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

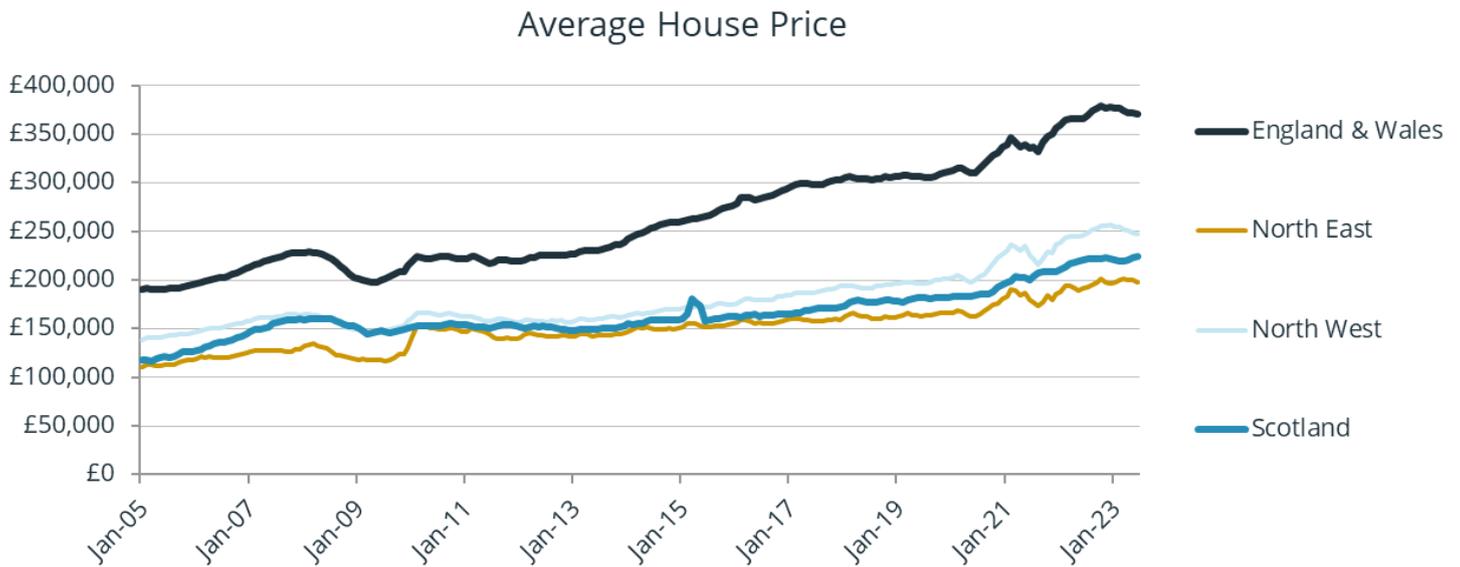
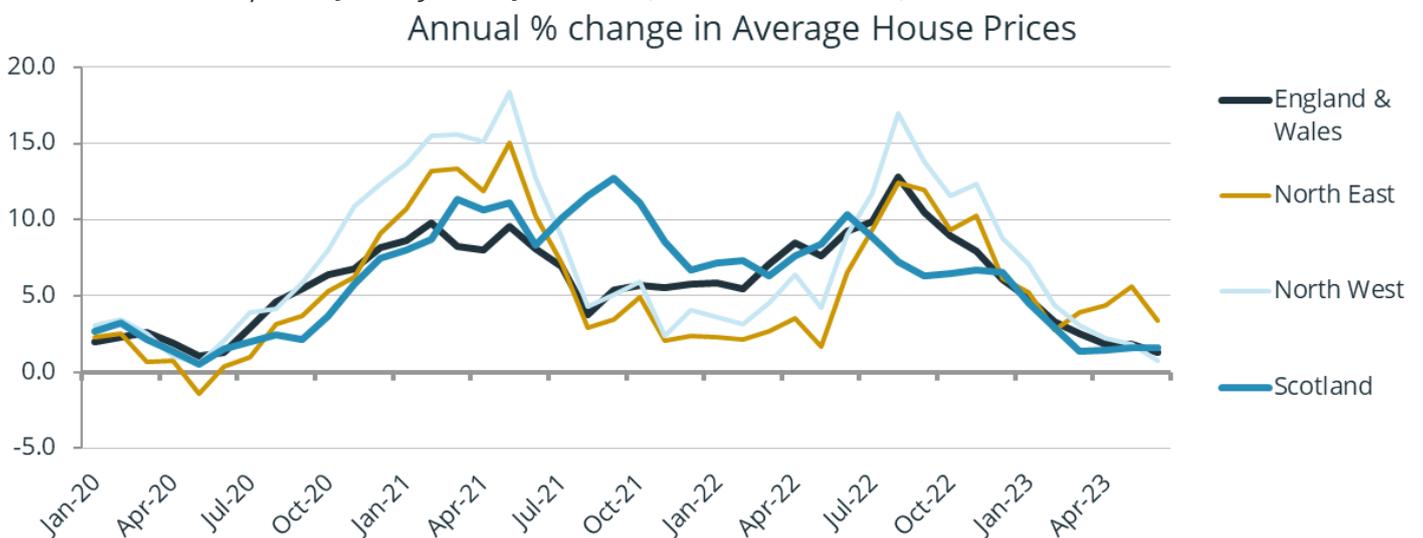


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020-June 2023 ([Link to source Excel](#))



## Scotland's Eight Cities

Figure 5. Average house prices for Scotland's eight cities from April 2022-June 2023 ([Link to source Excel](#))

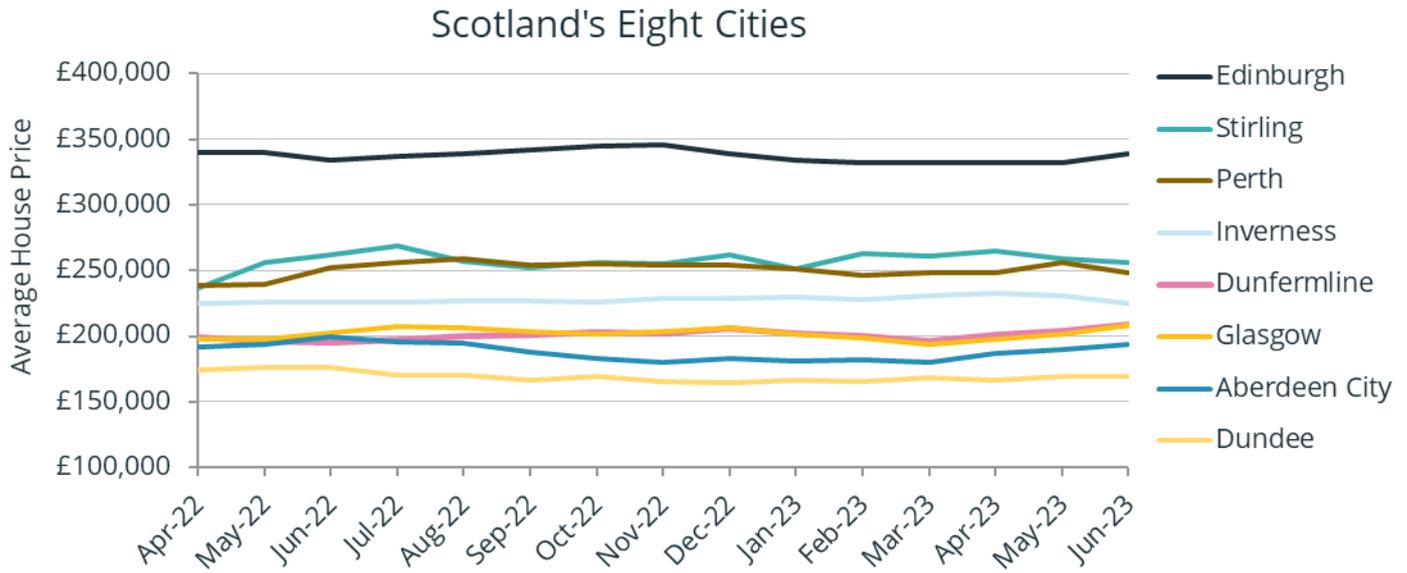


Figure 6. Average house prices for Scotland's eight cities June 2023 ([Link to source Excel](#))



## 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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