

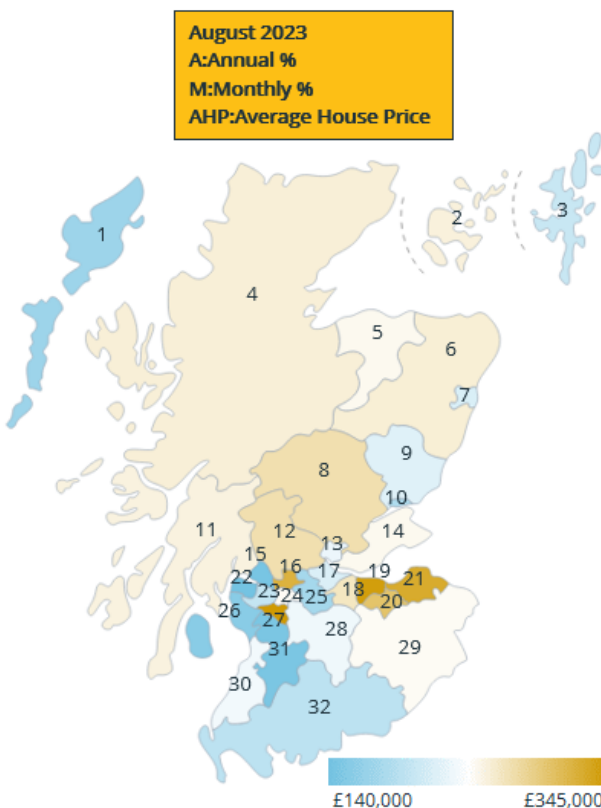
Average prices in August fall by just £22

- Half of Scotland experience price increases and half price falls
- Transactions are 10% lower than in 2022
- East Renfrewshire tops the Tables with record high average values
- Edinburgh prices continue to fall while Glasgow's increase

- 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 %
£223,655	292.9	0.0	0.6

1 Na h-Eileanan Siar A 9.4% M -5.9% AHP £160,762	2 Orkney Islands A 4.0% M 1.8% AHP £224,717
5 Moray A 3.6% M 0.3% AHP £214,809	6 Aberdeenshire A -1.6% M -3.3% AHP £228,638
9 Angus A 0.4% M 2.1% AHP £191,411	10 Dundee City A -0.8% M 0.0% AHP £169,068
13 Clackmannanshire A 1.8% M 9.1% AHP £196,985	14 Fife A 7.4% M 2.8% AHP £214,413
17 Falkirk A 4.7% M -0.4% AHP £189,185	18 West Lothian A -0.3% M 0.4% AHP £239,496
21 East Lothian A 4.8% M -2.3% AHP £320,099	22 Inverclyde A -1.4% M -2.2% AHP £141,962
25 North Lanarkshire A 2.6% M 0.2% AHP £164,650	26 North Ayrshire A -1.6% M 1.7% AHP £151,996
29 Scottish Borders A -9.4% M -3.6% AHP £211,968	30 South Ayrshire A -1.9% M 3.8% AHP £199,978



3 Shetland Islands A -8.2% M -0.5% AHP £180,650	4 Highland A 0.6% M 2.9% AHP £227,856
7 Aberdeen City A -3.1% M -0.7% AHP £188,651	8 Perth & Kinross A -3.8% M -1.4% AHP £249,281
11 Argyll & Bute A 1.3% M 0.3% AHP £223,439	12 Stirling A -2.9% M 0.3% AHP £249,397
15 West Dunbartonshire A 0.0% M -1.3% AHP £144,207	16 East Dunbartonshire A 2.1% M 3.4% AHP £310,403
19 City of Edinburgh A -0.5% M -0.6% AHP £337,618	20 Midlothian A 4.4% M -0.1% AHP £286,558
23 Renfrewshire A 0.5% M 0.4% AHP £179,040	24 Glasgow City A 2.2% M 0.4% AHP £211,231
27 East Renfrewshire A 7.5% M 0.1% AHP £343,046	28 South Lanarkshire A 2.0% M -0.8% AHP £198,298
31 East Ayrshire A -7.9% M -1.9% AHP £145,340	32 Dumfries & Galloway A -6.3% M -4.0% AHP £175,079

Table 1. Average House Prices in Scotland for the period August 2022 – August 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 %
August	2022	£222,284	291.1	0.0	7.2
September	2022	£222,276	291.1	0.0	6.3
October	2022	£222,426	291.3	0.1	6.4
November	2022	£222,714	291.7	0.1	6.7
December	2022	£222,425	291.3	-0.1	6.5
January	2023	£221,074	289.5	-0.6	4.5
February	2023	£219,582	287.6	-0.7	2.7
March	2023	£219,325	287.2	-0.1	1.2
April	2023	£221,143	289.6	0.8	1.4
May	2023	£223,575	292.8	1.1	1.7
June	2023	£224,059	293.4	0.2	1.5
July	2023	£223,677	292.9	-0.2	0.6
August	2023	£223,655	292.9	0.0	0.6

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:

“In August 2023, the average house price in Scotland increased by £1,375, or 0.6%, over the last twelve months. This is the same growth rate as seen in July, and it is the weakest annual rate of growth since the near start of the pandemic in May 2020.

“However, the devil is in the detail at a more granular level where we can see the performance of regions is split. If we look at Edinburgh and Glasgow, two of the largest housing markets in Scotland with a combined 22% of market share, Glasgow saw an increase in prices in the month of +0.4%, while in Edinburgh prices fell by -0.6%, however this is perhaps due to Glasgow being more affordable (£211,000) compared to Edinburgh (£338,000).

“Lower levels of activity in the market are reflected in the volume of sales which, so far this year, are about 10% lower than the corresponding months of 2022. What this slowdown in activity does illustrate is that offers below the asking price are becoming more common. The restrained market sentiment may continue for some time, but with continuing strong earnings growth and the expectation that interest rates may be peaking from their July high, it could provide a soft landing for Scotland’s housing market. However rates need to continue in a downward trajectory to persuade buyers back to the market.”

Commentary: John Tindale, Acadata Senior Housing Analyst

August's housing market

Scotland's average house price fell by a very modest £22 in August, and now stands at £223,655. However, this is an average national figure – looking at the change in the individual Local Authority Areas, there were 16 authorities with price increases in the month and 16 areas with price falls. It would appear that these two groups have largely cancelled each other out.

For example, looking at Edinburgh and Glasgow, which are the two largest housing markets in Scotland with a combined 22% market share of the total, Glasgow saw an increase in prices in the month of +0.4%, while in Edinburgh prices fell by -0.6%.

Looking at the movement in average prices some twelve months earlier, in August 2022, the market was similarly experiencing a zero % change in prices. Consequently, the change in average prices in August 2023, over the previous twelve months, has remained the same as in July 2023 at 0.6%. This rate is the lowest recorded since May 2020, at the near start of the pandemic, but on an annual basis the rate of change remains positive - unlike eight of the ten regions in England and Wales, where house prices over the year are now falling (see Figure 4 on page 9).

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

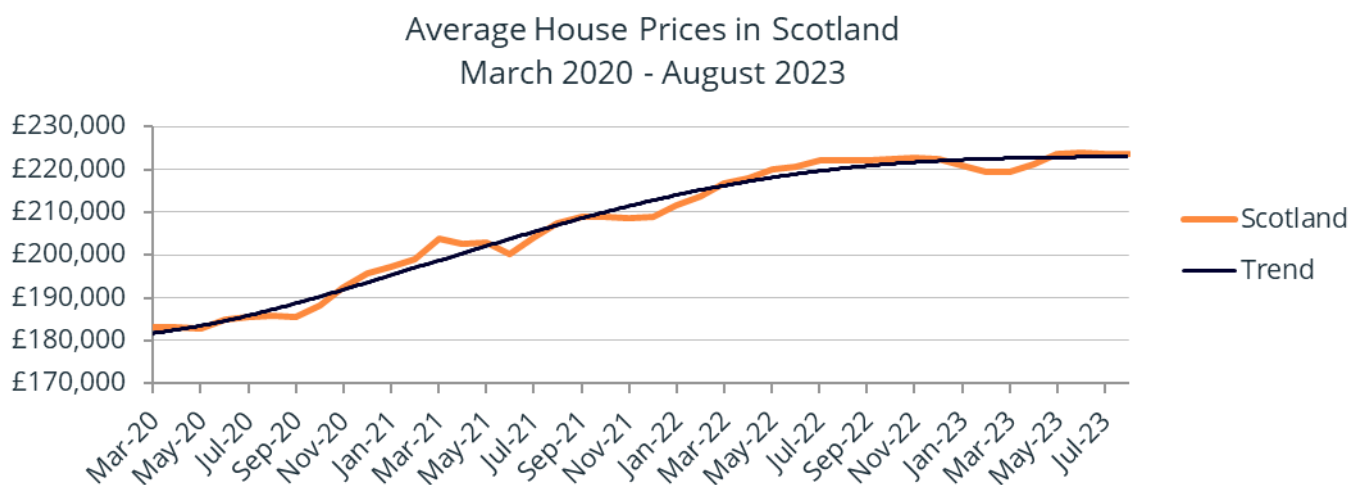


Figure 1 shows how average house prices in Scotland have changed since the start of the Covid pandemic in March 2020. Prices have risen by £40,000 from £183,000 to £223,000 as at August 2023. This increase of 22.2% over the period compares to a figure of 19.2% in the CPIH Index – so in real terms (after allowing for consumer price inflation), the average house price in Scotland since the start of the pandemic has risen by around 3.0%.

Much of the adjustment to the more challenging conditions now facing the housing market is appearing as lower levels of activity, with sales so far this year about 10% lower than the corresponding months of 2022. Whilst being a significant correction, this is only about half that seen in England & Wales.

This pattern of subdued market prices and turnover may continue for some time. Nevertheless, with continuing strong earnings growth and financial markets beginning to look forward to official interest rates peaking, there are grounds for looking forward to a soft landing and subsequent recovery in Scotland's housing market.

Local Authority Analysis

Table 2. Average House Prices in Scotland, by local authority area, comparing August 2022, July 2023 and August 2023 (Link to source Excel)

Prior Year Rank	Rank By Price	Local Authority Area	Aug-22	Jul-23	Aug-23	Month % Change	Annual % Change
2	1	East Renfrewshire	£319,150	£342,555	£343,046	0.1%	7.5%
1	2	City of Edinburgh	£339,201	£339,784	£337,618	-0.6%	-0.5%
3	3	East Lothian	£305,334	£327,542	£320,099	-2.3%	4.8%
4	4	East Dunbartonshire	£303,960	£300,233	£310,403	3.4%	2.1%
5	5	Midlothian	£274,434	£286,743	£286,558	-0.1%	4.4%
7	6	Stirling	£256,791	£248,757	£249,397	0.3%	-2.9%
6	7	Perth and Kinross	£259,131	£252,703	£249,281	-1.4%	-3.8%
8	8	West Lothian	£240,213	£238,457	£239,496	0.4%	-0.3%
10	9	Aberdeenshire	£232,414	£236,420	£228,638	-3.3%	-1.6%
11	10	Highland	£226,453	£221,398	£227,856	2.9%	0.6%
13	11	Orkney Islands	£216,132	£220,798	£224,717	1.8%	4.0%
12	12	Argyll and Bute	£220,677	£222,763	£223,439	0.3%	1.3%
14	13	Moray	£207,274	£214,131	£214,809	0.3%	3.6%
17	14	Fife	£199,597	£208,530	£214,413	2.8%	7.4%
9	15	Scottish Borders	£233,955	£219,911	£211,968	-3.6%	-9.4%
15	16	Glasgow City	£206,666	£210,346	£211,231	0.4%	2.2%
16	17	South Ayrshire	£203,834	£192,572	£199,978	3.8%	-1.9%
20	18	South Lanarkshire	£194,456	£199,859	£198,298	-0.8%	2.0%
21	19	Clackmannanshire	£193,519	£180,530	£196,985	9.1%	1.8%
22	20	Angus	£190,634	£187,411	£191,411	2.1%	0.4%
24	21	Falkirk	£180,717	£190,038	£189,185	-0.4%	4.7%
19	22	Aberdeen City	£194,734	£189,930	£188,651	-0.7%	-3.1%
18	23	Shetland Islands	£196,736	£181,497	£180,650	-0.5%	-8.2%
25	24	Renfrewshire	£178,130	£178,368	£179,040	0.4%	0.5%
23	25	Dumfries and Galloway	£186,850	£182,362	£175,079	-4.0%	-6.3%
26	26	Dundee City	£170,442	£169,088	£169,068	0.0%	-0.8%
27	27	North Lanarkshire	£160,438	£164,346	£164,650	0.2%	2.6%
30	28	Na h-Eileanan Siar	£146,909	£170,782	£160,762	-5.9%	9.4%
29	29	North Ayrshire	£154,437	£149,466	£151,996	1.7%	-1.6%
28	30	East Ayrshire	£157,769	£148,159	£145,340	-1.9%	-7.9%
31	31	West Dunbartonshire	£144,155	£146,082	£144,207	-1.3%	0.0%
32	32	Inverclyde	£143,951	£145,171	£141,962	-2.2%	-1.4%
All Scotland			£222,284	£223,677	£223,655	0.0%	0.6%

Table 2 shows average house prices, calculated on a seasonal- and mix-adjusted basis, by Local Authority Area for August 2022 and July and August 2023, together with the corresponding percentage price changes over the last month and year. The ranking figures are based on average house prices in August 2022 and 2023. Line items are shaded in blue in cases where average house prices in the Local Authority Area - or Scotland as a whole - have experienced record highs in August 2023.

Annual change

The average house price in Scotland in August 2023 has increased by some £1,375, or 0.6%, over the last twelve months, which is the same growth rate as seen in July, one month earlier. These represent the weakest annual rates of growth since May 2020, in the early days of the Covid epidemic.

In August 2023, 18 of the 32 local authorities were reporting a positive movement in prices over the previous twelve months, compared with 15 in July, suggesting a slight improvement in market sentiment during the summer months.

East Renfrewshire was, for the second month running, the area on the mainland with the highest annual increase in average house prices in August 2023, up by 7.5%, closely followed by Fife (7.4%) and East Lothian (4.8%). In East Renfrewshire, both detached and semi-detached homes saw values increase over the year, with detached prices rising from an average £482k in August 2022 to £500k twelve months later, associated with a number of new-build homes in Newton Mearns. East Renfrewshire had the highest average value for detached homes of all 33 Local Authority Areas in Scotland in August 2023.

Meanwhile, the Scottish Borders had the largest fall in prices over the previous twelve months, at -9.4%. In the Scottish Borders, all property types - except for semi-detached homes - saw prices fall over the year.

Monthly change

In August 2023, Scotland's average house price fell by a marginal -£22, or 0.0%: this follows on from a -£382 decline in July, and was the fifth month in 2023 to see the price-change in negative territory.

In August 2023, 16 of the 32 Local Authority areas in Scotland experienced rising prices in the month, up from just 10 in July. The area with the largest monthly price increase was Clackmannanshire, up by 9.1%, assisted by the sale of a 5-bedroom detached home built in 1990, but in the traditional "Tower House" style, for just over £1 million. In second place was South Ayrshire at a more modest 3.8%, followed by East Dunbartonshire at 3.4%.

The distribution of local authorities with price increases in August was 10 in the top half when ranked by average price, and 6 in the lower half.

Looking at the weighted change in prices in the month, which takes into account both the number of sales as well as the change in price, the top five authorities are Fife, Highland, East Dunbartonshire, South Ayrshire and Clackmannanshire.

Peak Prices

In Table 2 above, those areas which have reached a new record in their average house prices are highlighted in light blue. In August 2023, there were 5 such authorities, up from 3 in August.

Interestingly, two of the Local Authority Areas with a record average price this month are in the top four places when ranked by value.

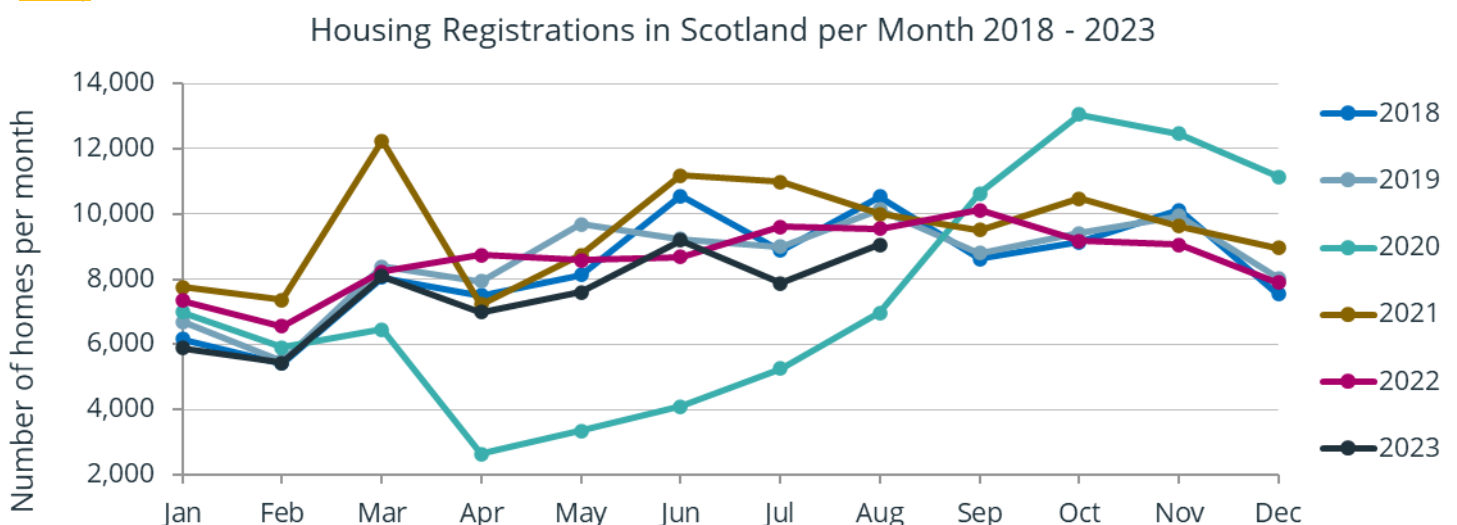
Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period from January 2018 to date, based on Registers of Scotland (RoS) figures for the Date of Entry (except for August 2023, which is based on RoS Application Dates).

There are three lines on the chart which are of particular interest – the turquoise line of 2020 depicts the start of the Covid pandemic, when in March 2020 the public were asked to stay at home (if not employed in an essential service). The announcement came too late to affect March sales, but in April 2020 the number of property transactions slumped to 2,636 sales, compared to an average 8,500 sales per month over the previous twelve months. It can be seen that property sales slowly recovered over the remainder of 2020, and indeed reached a peak of 13,042 registrations in October 2020. This was partially assisted by pent-up demand, along with the introduction of the LBTT tax-holiday, which came into force on 15 July 2020.

Although 2022 - the pink line - started well, with an average 8,400 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 3rd November and 15th 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 2018 – 2023 ([Link to source Excel](#))



Finally, the black line charts 2023. This year started with the lowest volume of January sales of the last nine years, at 5,879 transactions. Although sales have picked up since then, total sales for the first eight months of the year – at around 60,000 – are about 10% lower than 2022 and (other than the Covid year 2020) the lowest since 2013. The Bank rate is one of the prime reasons for the slowing in sales, having reached 5.25% at the time of writing – its highest level of the last 15 years.

Scotland transactions of £750k or higher

Table 3. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – August 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	69	53
3	231	57	25	34	35	30	115	80	76
4	2	27	29	24	36	11	46	70	68
5	14	20	31	32	54	16	63	90	69
6	26	47	43	41	60	36	119	111	101
7	15	36	55	44	61	41	121	136	103
8	41	54	62	60	61	40	102	126	79
9	46	44	56	70	59	67	127	135	
10	23	52	48	55	40	114	102	124	
11	48	38	37	59	58	109	101	115	
12	34	23	40	31	49	105	79	82	
Total	555	445	460	537	583	651	1102	1226	624

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 79 such transactions recorded by RoS relating to August 2023. Currently, this is the third-highest August total recorded to date, but with RoS processing further data for the month, it may possibly rise to second place in the yearly rankings.

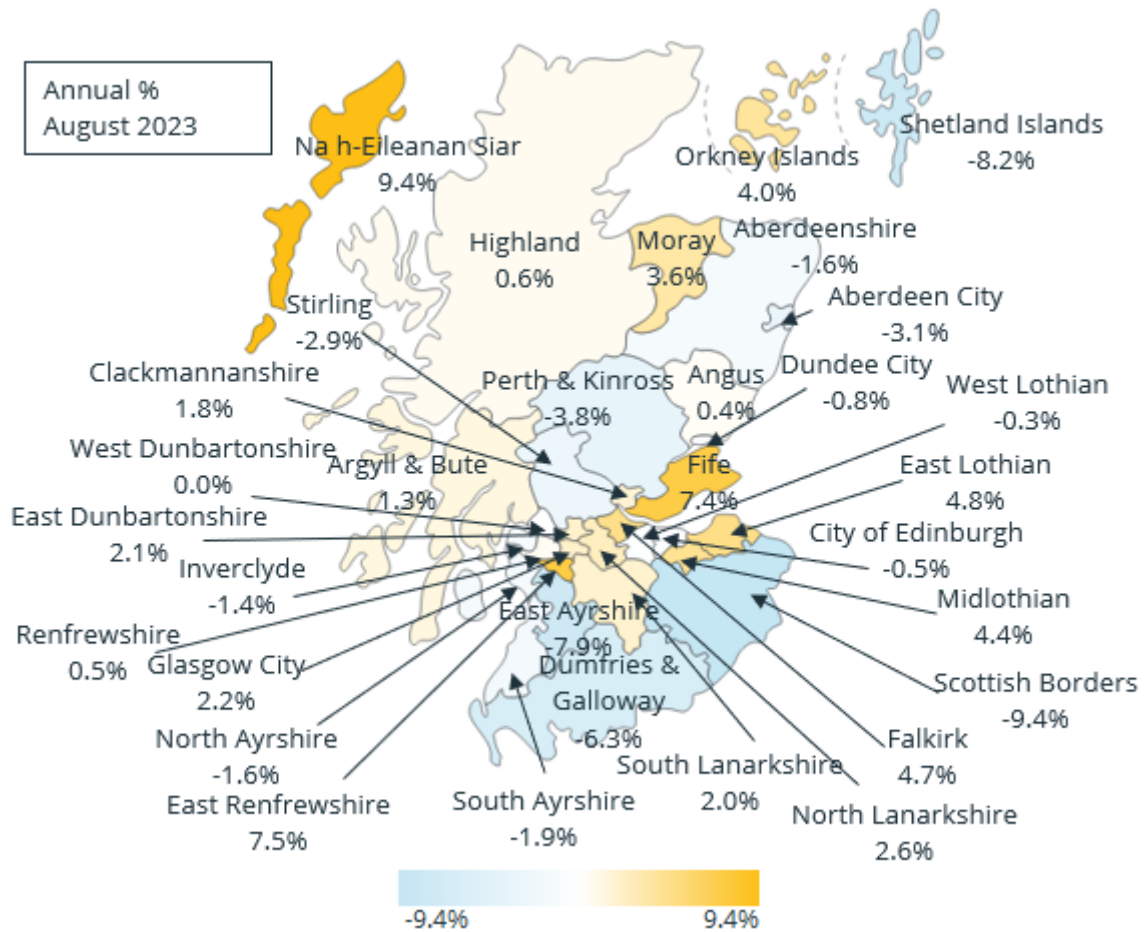
Looking at the number of high-value properties sold in the first eight months of each year in Table 3, 2022 is ranked first with 770 high-value sales. In second place is 2021 - when sales were boosted in March, prior to the ending of the Covid related LBTT tax-holiday in April of that year - with 693 sales in the eight month period, while 2023, with 624 sales, is ranked in third place.

However, there is a clear trend, in that the totals in each of the first eight months of 2023 are lower than a year earlier. In aggregate, these declines are larger than the downturn in the market as a whole, indicating that last year's enthusiasm for the purchase of high-value homes has dissipated - at least for the time being.

Edinburgh accounts for 293 of the 624 high-value sales (47%) that have been recorded to date by RoS in 2023, compared to 48% in 2022. Glasgow is in second place with 45 such sales, while Fife and East Lothian vie for third place, with cumulative sales of 38 and 36 respectively. Fifth place goes to East Renfrewshire with 32 sales, which completes the listing of all the authorities in Scotland which have seen in excess of 30 high-value sales so far this year.

Heat Map

The heat map below shows the rate of house price growth for the 12 months ending August 2023. As reported above, 18 of the 32 Local Authority Areas in Scotland have seen a rise in their average property values over the last year. The highest rise over the year was seen in Na h-Eileanan Siar, at 9.4% growth, with the largest fall in the year being seen in the Scottish Borders at -9.4%.



How Scotland Compares

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

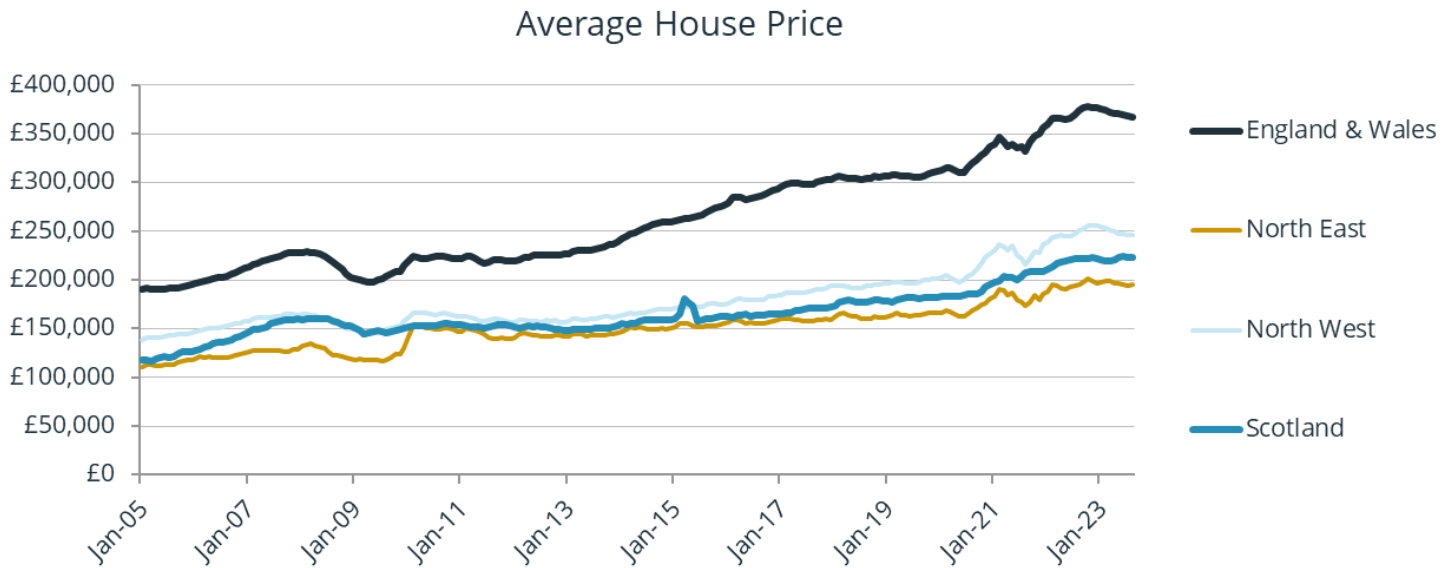
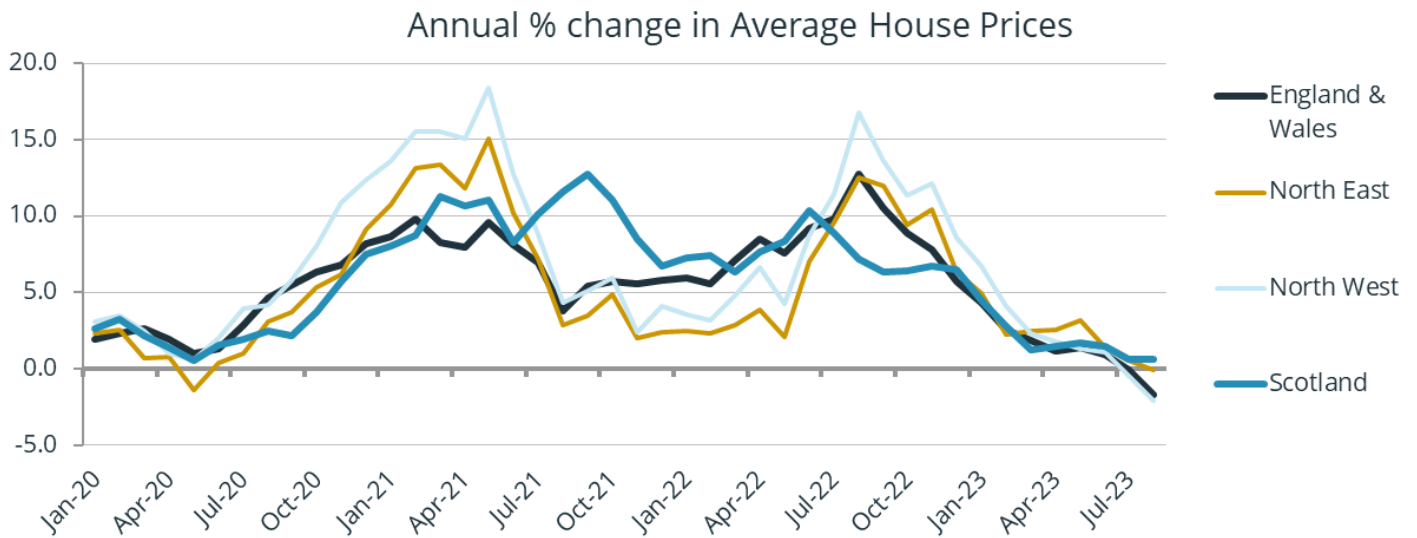


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020-August 2023 ([Link to source Excel](#))



Scotland's Eight Cities

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

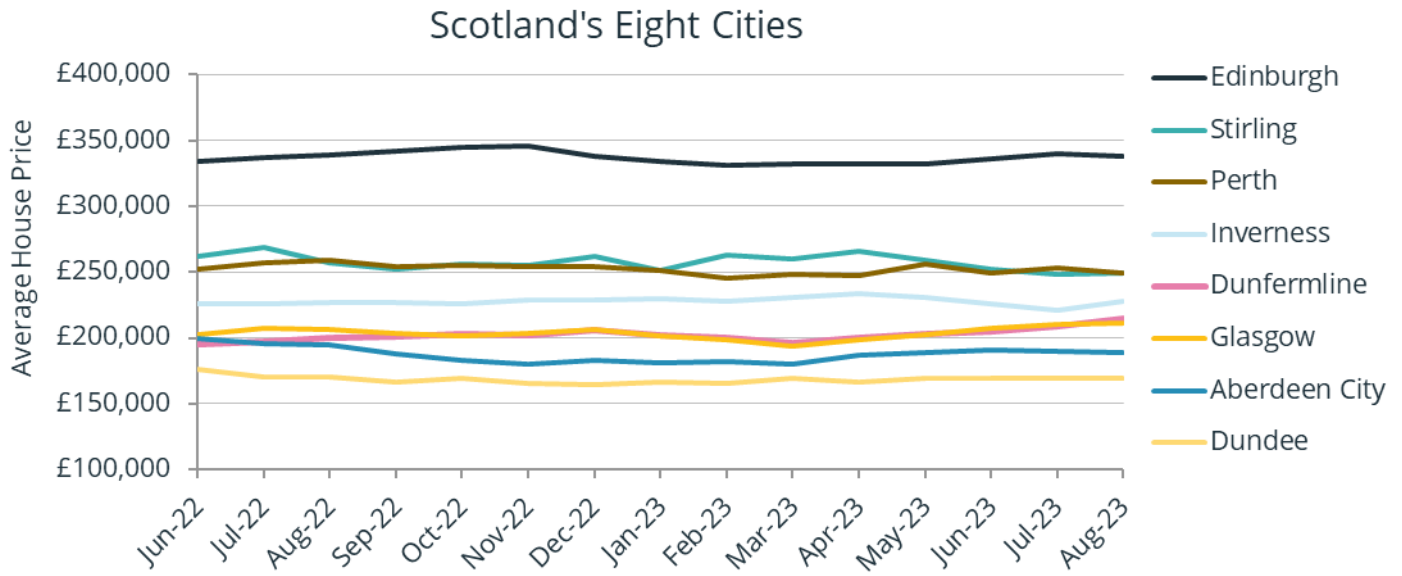
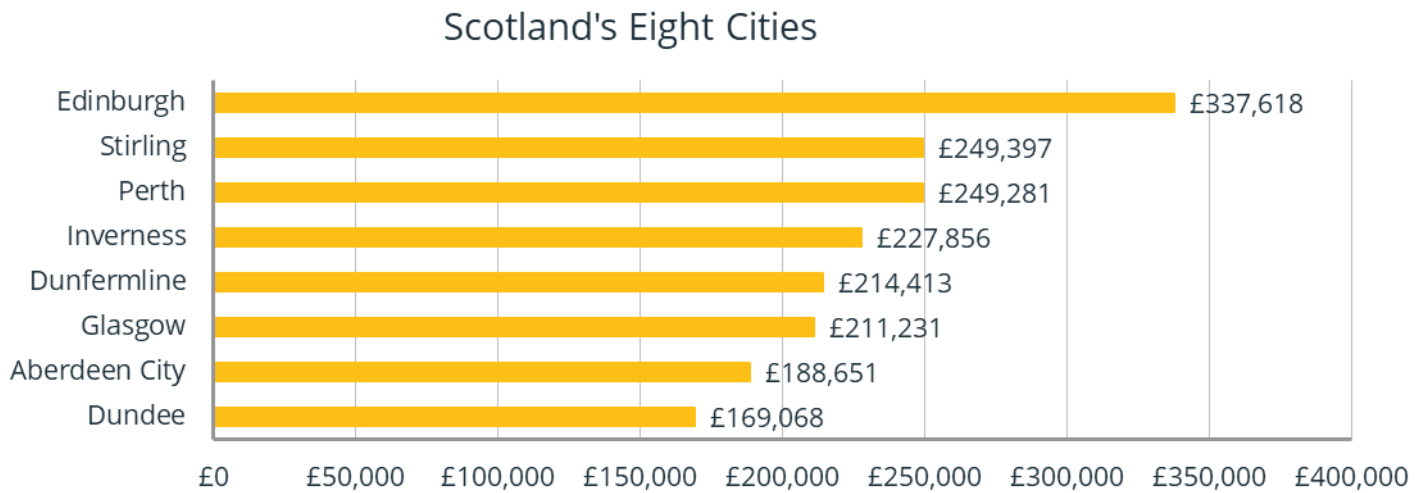


Figure 6. Average house prices for Scotland's eight cities August 2023 ([Link to source Excel](#))



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

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