

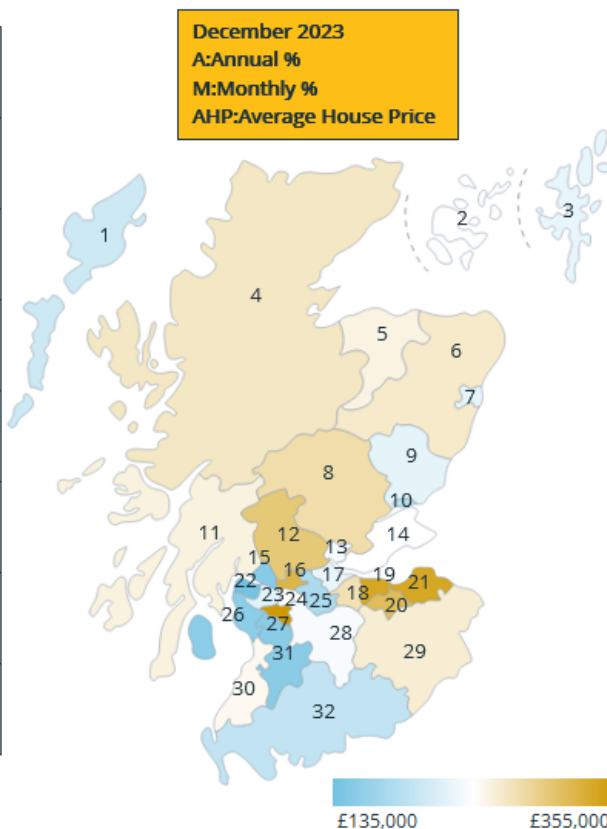
No change in Scotland's house price over last eighteen months...

- ...but 16 authorities see rising prices over year
- East Renfrewshire has highest average price at £352,000
- While Inverclyde has had lowest price for 10 of the last 12 months
- Transactions down by 11% on 2022 levels

- 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 %
£222,288	291.1	-0.4	0.0

1 Na h-Eileanan Siar A 15.6% M -0.6% AHP £175,553	2 Orkney Islands A -12.8% M -1.0% AHP £196,652
5 Moray A 4.8% M 0.8% AHP £215,474	6 Aberdeenshire A -2.8% M -0.3% AHP £229,941
9 Angus A -5.3% M -1.5% AHP £186,300	10 Dundee City A 1.4% M 1.7% AHP £166,771
13 Clackmannanshire A 4.6% M 0.2% AHP £193,881	14 Fife A -3.9% M -2.1% AHP £197,485
17 Falkirk A 1.2% M 2.1% AHP £188,145	18 West Lothian A 3.3% M 2.7% AHP £244,155
21 East Lothian A -0.4% M 1.7% AHP £332,598	22 Inverclyde A -0.6% M -0.5% AHP £137,919
25 North Lanarkshire A 0.1% M 0.3% AHP £162,012	26 North Ayrshire A -5.0% M 0.0% AHP £148,494
29 Scottish Borders A 4.8% M 0.8% AHP £224,940	30 South Ayrshire A 3.3% M -1.7% AHP £206,714



3 Shetland Islands A -11.5% M -4.2% AHP £187,517	4 Highland A 2.3% M 0.4% AHP £234,123
7 Aberdeen City A 2.2% M -0.2% AHP £187,062	8 Perth & Kinross A -1.8% M 1.9% AHP £249,625
11 Argyll & Bute A -1.1% M 2.6% AHP £217,794	12 Stirling A 7.6% M -1.6% AHP £281,218
15 West Dunbartonshire A -1.2% M 1.0% AHP £146,749	16 East Dunbartonshire A 3.4% M -1.8% AHP £309,279
19 City of Edinburgh A -1.7% M -1.9% AHP £332,303	20 Midlothian A 8.2% M -1.6% AHP £298,733
23 Renfrewshire A 2.3% M 1.5% AHP £184,562	24 Glasgow City A -1.5% M -0.5% AHP £202,887
27 East Renfrewshire A 9.1% M -1.6% AHP £351,863	28 South Lanarkshire A -0.1% M -0.1% AHP £193,835
31 East Ayrshire A -3.5% M -0.5% AHP £147,561	32 Dumfries & Galloway A -8.4% M -3.6% AHP £171,171

Table 1. Average House Prices in Scotland for the period December 2022 – December 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 %
December	2022	£222,381	291.3	-0.1	6.5
January	2023	£221,150	289.6	-0.6	4.5
February	2023	£219,815	287.9	-0.6	2.8
March	2023	£219,513	287.5	-0.1	1.3
April	2023	£221,157	289.6	0.7	1.5
May	2023	£223,359	292.5	1.0	1.6
June	2023	£223,826	293.1	0.2	1.4
July	2023	£223,295	292.4	-0.2	0.5
August	2023	£223,065	292.1	-0.1	0.4
September	2023	£223,763	293.1	0.3	0.7
October	2023	£223,306	292.5	-0.2	0.4
November	2023	£223,136	292.2	-0.1	0.2
December	2023	£222,288	291.1	-0.4	0.0

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:

“This month’s data underlines the importance of local movements. From a national average one might think Scotland’s housing market is relatively benign. The average house price in December 2023 barely changed over the last year, and now stands at £222,288. This is just £93 lower than twelve months earlier - last month it was just £16 lower than a year earlier.

“But when we look at the regional picture substantial differences in performance emerge. There are no local authority areas where the annual rate of change in house prices is zero. But when we zoom in on specific regions, we see significant variations. No area has prices that remain unchanged year-over-year. Excluding the islands, East Renfrewshire experienced the highest annual increase at 9.1%, while Dumfries and Galloway saw the sharpest decline at -8.4%.

“At a regional level, many things can support price movements both positive and negative, whether that be the market demand for certain types of property as we saw in the pandemic or the supply of new housing developments in an area.

“While the levels of transactions are still substantially reduced, this remains a buyer’s market but, regional differences aside, this data suggests any gap in the expectations of buyers and sellers has significantly narrowed.”

Commentary: John Tindale, Acadata Senior Housing Analyst

December's housing market

Scotland's average house price in December 2023 has a strong element of "déjà vu", since, similar to last month's figures, it has barely changed over the last year, and now stands at £222,288. This is just £93 lower than twelve months earlier - last month it was just £16 lower than a year earlier. Indeed, looking at Table 1 above, it can be seen that, for the previous seven months, the average house price in Scotland has been around the £223,400 mark, with the peak occurring in June 2023 at £223,826. However, referring to Table 2 (on page 4 of this report), there are no local authority areas where the annual rate of change in house prices is zero - indeed, it's necessary to select a range larger than $\pm 3.3\%$ before over half of the movement exhibited by the 32 local authorities in Scotland in the Annual % Change column is captured. Taking the extreme cases, the change in the average price over the year in Na h-Eileanan Siar was +15.6%, while in the Orkney Islands the movement was -12.8% - hardly a "static" market with zero change in values.

To understand what has happened to prices in any local authority, it is therefore necessary to refer to data such as that covered by Table 2, and even then there will be differences between towns in each of the areas and between property types. For the record, at a national level, the average price of flats has increased by +0.7%, and detached properties by +0.4%, while semi-detached and terraced properties have fallen by -1.5% and -4.2% respectively.

There are however underlying trends, such as the level of interest rates and the increase in household living costs - which will affect the majority of properties - but even then, these factors don't necessarily apply to all. What has also been apparent in Scotland over the past year is that transactions have reduced by some 11% over the year. Many owners observing the price trends in the market will have decided to "sit tight" and wait for conditions to improve, rather than putting their property up for sale. There are however some indications that the housing market has started to expand in Scotland, as well as elsewhere in the UK, as mortgage rates begin to fall. RICS (Royal Institution of Chartered Surveyors), in its January Residential Market Survey, advises that both New Buyer Enquiries and New Vendor Instructions have been on the increase in Scotland and elsewhere in the UK during the month - time will tell how this affects prices over the next few months.

Figure 1. Scotland's average house price for the period from December 2021 to December 2023 ([Link to source Excel](#))

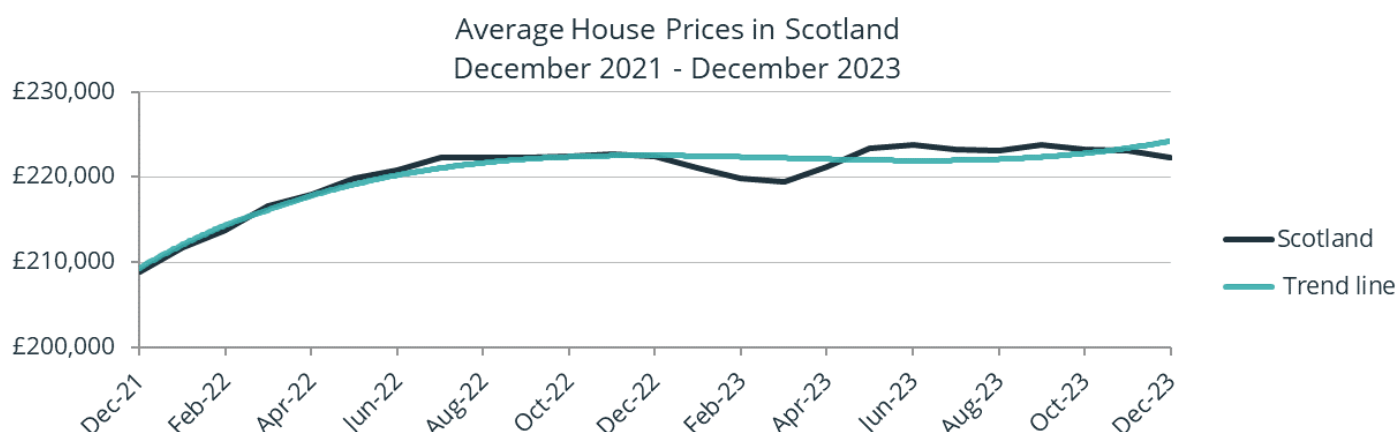


Figure 1 shows how average house prices in Scotland have changed over the two years from December 2021. It can be seen that the average price has barely moved over the period from July 2022 to December 2023 - indeed, the price difference between these two months amounts to just £7.

Local Authority Analysis

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

Prior Year Rank	Rank By Price	Local Authority Area	Dec-22	Nov-23	Dec-23	Month % Change	Annual % Change
3	1	East Renfrewshire	£322,523	£357,589	£351,863	-1.6%	9.1%
2	2	East Lothian	£333,838	£326,984	£332,598	1.7%	-0.4%
1	3	City of Edinburgh	£338,182	£338,574	£332,303	-1.9%	-1.7%
4	4	East Dunbartonshire	£299,044	£314,915	£309,279	-1.8%	3.4%
5	5	Midlothian	£276,069	£303,663	£298,733	-1.6%	8.2%
6	6	Stirling	£261,391	£285,730	£281,218	-1.6%	7.6%
7	7	Perth and Kinross	£254,214	£245,054	£249,625	1.9%	-1.8%
9	8	West Lothian	£236,300	£237,727	£244,155	2.7%	3.3%
10	9	Highland	£228,870	£233,219	£234,123	0.4%	2.3%
8	10	Aberdeenshire	£236,644	£230,707	£229,941	-0.3%	-2.8%
13	11	Scottish Borders	£214,543	£223,188	£224,940	0.8%	4.8%
12	12	Argyll and Bute	£220,160	£212,321	£217,794	2.6%	-1.1%
16	13	Moray	£205,513	£213,840	£215,474	0.8%	4.8%
18	14	South Ayrshire	£200,157	£210,352	£206,714	-1.7%	3.3%
15	15	Glasgow City	£206,060	£203,853	£202,887	-0.5%	-1.5%
17	16	Fife	£205,459	£201,729	£197,485	-2.1%	-3.9%
11	17	Orkney Islands	£225,463	£198,715	£196,652	-1.0%	-12.8%
23	18	Clackmannanshire	£185,413	£193,535	£193,881	0.2%	4.6%
20	19	South Lanarkshire	£194,044	£194,052	£193,835	-0.1%	-0.1%
22	20	Falkirk	£185,865	£184,211	£188,145	2.1%	1.2%
14	21	Shetland Islands	£211,901	£195,688	£187,517	-4.2%	-11.5%
24	22	Aberdeen City	£182,984	£187,390	£187,062	-0.2%	2.2%
19	23	Angus	£196,783	£189,225	£186,300	-1.5%	-5.3%
25	24	Renfrewshire	£180,331	£181,908	£184,562	1.5%	2.3%
30	25	Na h-Eileanan Siar	£151,882	£176,614	£175,553	-0.6%	15.6%
21	26	Dumfries and Galloway	£186,876	£177,497	£171,171	-3.6%	-8.4%
26	27	Dundee City	£164,459	£163,920	£166,771	1.7%	1.4%
27	28	North Lanarkshire	£161,834	£161,513	£162,012	0.3%	0.1%
28	29	North Ayrshire	£156,360	£148,470	£148,494	0.0%	-5.0%
29	30	East Ayrshire	£152,851	£148,365	£147,561	-0.5%	-3.5%
31	31	West Dunbartonshire	£148,522	£145,290	£146,749	1.0%	-1.2%
32	32	Inverclyde	£138,723	£138,630	£137,919	-0.5%	-0.6%
All Scotland			£222,381	£223,136	£222,288	-0.4%	0.0%

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

Annual change

The average house price in Scotland in December 2023 has fallen by a minimal £93, or 0.0%, over the last twelve months, which is 0.2% lower than the revised rate seen in November, one month earlier. This is the lowest annual growth rate since May 2016, some seven and a half years earlier.

16 of the 32 local authorities in Scotland were reporting a positive movement in prices over the previous twelve months, compared with 14 in November, perhaps presaging a potential upturn in house prices at the start of 2024.

In December, East Renfrewshire had the highest annual rate of price growth of all local authority areas on the mainland, at 9.1%, so remaining in top position in Table 2 for the fourth month running. In fact, East Renfrewshire has occupied first place in Table 2 - indicating it has had the highest average property values - for seven of the last twelve months, trumping the City of Edinburgh which has only been in first place for three months over this period. In East Renfrewshire, semi-detached homes and flats have increased in value over the last twelve months, with flats having the larger influence, up from an average £170k in December 2022 to £205k twelve months later, assisted by the sale of a new-build apartment in Eastward Grove, Giffnock, for £765k.

Staying on the mainland, Midlothian has the second-highest annual growth rate at 8.2%. All property types have experienced average price increases in Midlothian, but this month it is detached properties that have had the most significant, up from an average £385k in December 2022 to £415k one year later, assisted by the sale of a six-bedroom home in Dalkeith for £1 million.

At the other end of the scale, the area on the mainland with the largest percentage fall in prices over the last twelve months, for the second month running, was Dumfries and Galloway, at -8.4%. In Dumfries and Galloway, all property types saw prices fall over the year, with the largest fall this month being detached homes, down from an average £275k in December 2022 to £255k one year later.

Monthly change

In December 2023, Scotland's average house price fell by some -£850, or -0.4%, which contrasts with the revised -£170, or -0.1%, change in prices in November. This is the eighth monthly fall of 2023: however, as discussed above, it would appear that prices have been gently oscillating over the last year and a half, with the average price ranging between £219,500 and £224,000.

In December 2023, 14 of the 32 Local Authority areas in Scotland experienced rising prices in the month, two more than in November. The area with the highest increase in its average price in the month was West Lothian, up by 2.7%. All property types saw an increase in their average prices in West Lothian, with the highest increase being in terraced properties, up from an average £162k in November 2023 to £169k one month later. The increase in the area's price in the month was assisted by the sale of a modern terraced property in Springfield Court, Linlithgow, for £445k.

By way of contrast, the area on the mainland with the largest monthly fall in its average price was Dumfries and Galloway, down by -3.6% in the month, as well as the -8.4% fall over the year, described above. Similar to the annual figures, the monthly average price for detached homes in Dumfries fell by some £15k, with the highest priced property in the area selling for £600k in November 2023, but only reaching £500k in December 2023.

For interest, the highest-priced home to have been sold in Scotland in December 2023 was a seven-bedroom detached home in Greenhill, Edinburgh, approximately 1.5 miles from the city centre, which fetched £3 million.

Transactions analysis

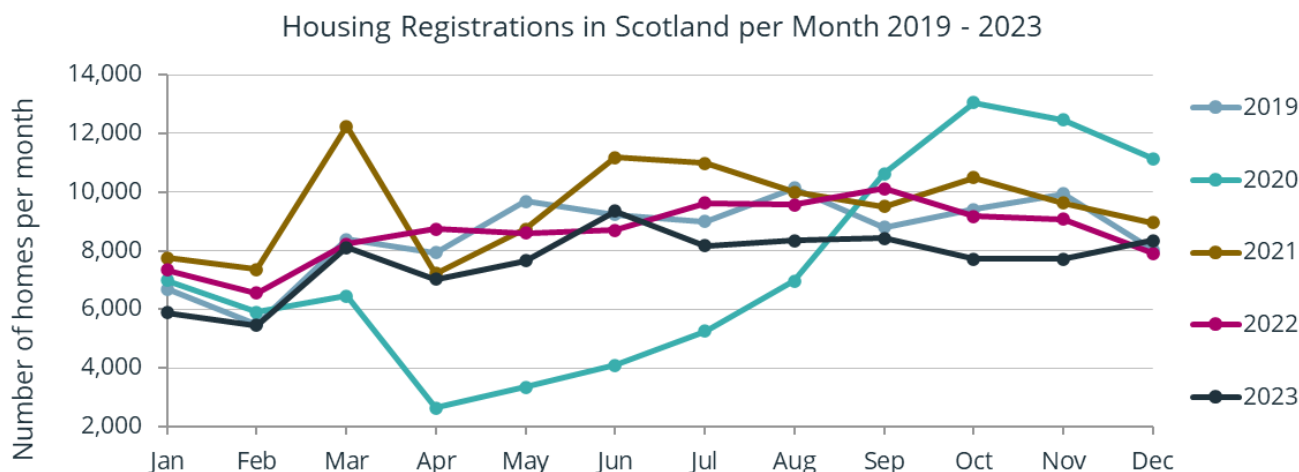
Figure 2 below shows the monthly transaction count for purchases during the period from January 2019 to December 2023, based on Registers of Scotland (RoS) figures for the Date of Entry (except for December 2023, which is based on RoS Application Dates).

The first year on the chart, 2019 (light blue line), was relatively “normal” having an average 8,560 sales per month, some 2.1% higher than the total for 2018, but -0.3% lower than 2017.

As can be seen, 2020 (the turquoise line) was more varied, the Covid pandemic having manifested itself in March 2020, with the first lockdown taking place in April 2020, when the market slumped to just 2,637 sales. There was then a slow path to recovery during the remainder of 2020, with a peak in transactions in October 2020 of 13,045 sales, as the benefit of the LBTT tax holiday and the mantras of the “race for space” and “work from home” came to the fore.

There was a second peak in transactions in March 2021 (the brown line), as purchasers scrambled to take advantage of the tax holiday, before its cessation on April 1st 2021. In 2022 (the red line), house purchases returned to near normality, with the first nine months of 2022 seeing an average 8,600 sales per month. However, Liz Truss came into power on 6 September 2022, with her mini-budget, which resulted in the bank base rate being raised to 2.25%. The bank rate was further increased on 3rd November and 15th December 2022, ending the year at 3.5%.

Figure 2. The number of sales per month recorded by RoS based on entry date from 2019 – 2023 ([Link to source Excel](#))



This brings us to the current year of 2023 (the black line) - the relatively high bank rate of 3.5% had an adverse effect on property transactions, with only 5,895 sales for January 2023 – the lowest January total since 2013. Although the housing market in 2023 did enjoy the spring bounce in transactions that occurs traditionally in March, the bank base rate was increased a further five times in 2023, reaching 5.25% on 3rd August 2023 (the current rate). Over the twelve months of 2023, sales have amounted to some 92,200 properties, which is 11.0% down on 2022 and is the lowest annual total since 2013.

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 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	113	102
7	15	36	55	44	61	41	121	137	106
8	41	54	62	60	61	40	102	126	104
9	46	44	56	70	59	67	127	136	124
10	23	52	48	55	40	114	102	124	104
11	48	38	37	59	58	109	101	115	114
12	34	23	40	31	49	105	79	83	64
Total	555	445	460	537	583	651	1102	1231	1059

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 64 such transactions recorded by RoS during December 2023. Currently, this is the fourth-highest December total recorded to date, but with RoS processing further data for the month, it may possibly rise to third or second place in the yearly rankings – this will become evident next month. Following the pandemic, July 2022 had the highest monthly total of 137 sales over £750k, when transaction counts were still “catching-up” with the lost months of the pandemic years.

Looking at the total number of high-value properties sold in each year in Table 3, 2022 is ranked first with 1,231 high-value sales, 2021 is in second place with 1,102 sales, while 2023, with 1,059 sales, is ranked third.

However, there is a clear trend, in that the totals in each month of 2023 are lower than a year earlier. In aggregate, the high-value 2023 transactions are currently down on the 2022 total by 14%, compared to an 11% downturn in sales volumes in the market as a whole, indicating that last year’s enthusiasm for the purchase of high-value homes has decreased.

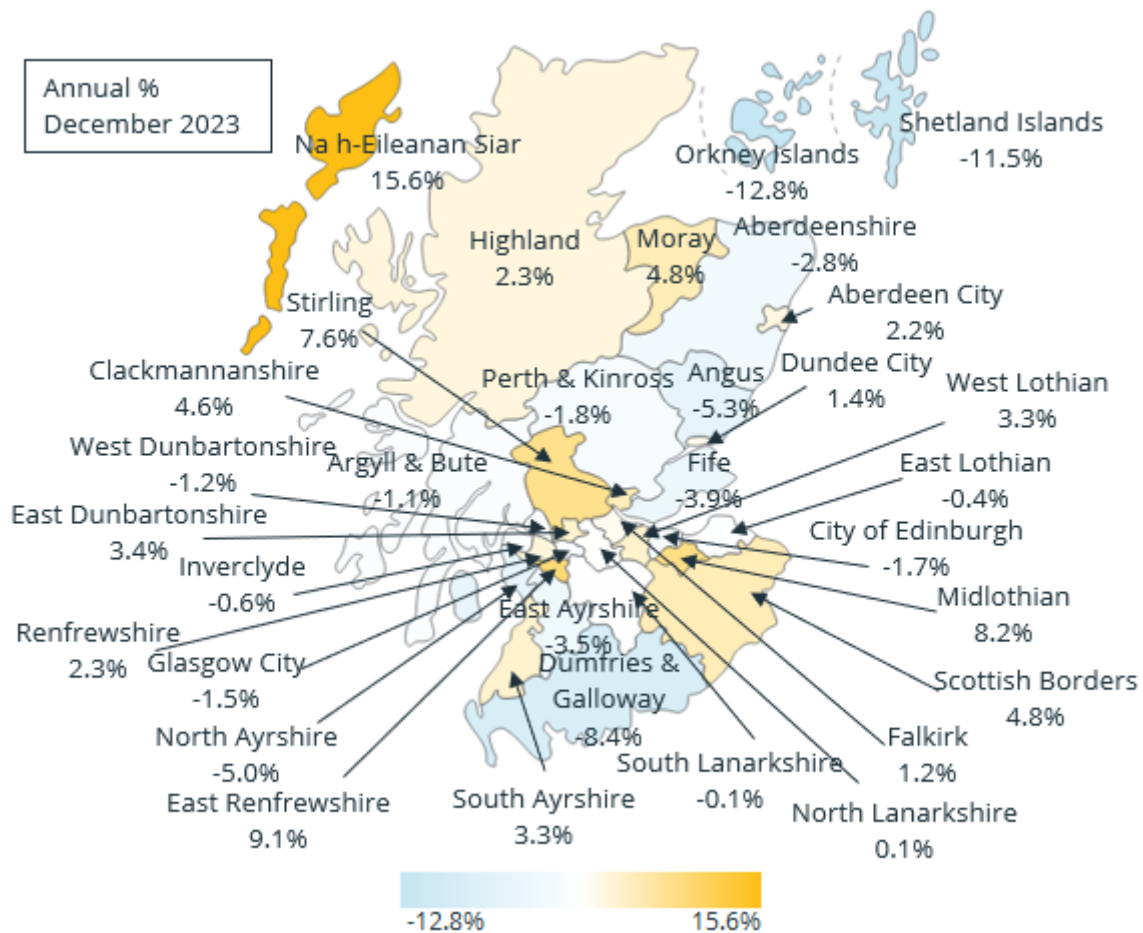
Edinburgh accounts for 467 of the 1,059 high-value sales (44%) that have been recorded to date by RoS in 2023, compared to 48% in 2022. East Lothian has moved up into second place with 72 such sales, closely followed by Glasgow in third place with 69 sales. Glasgow is currently 9 sales ahead of fourth-placed East Renfrewshire, with 60 high-value sales, and finally we have two authorities in equal fifth position, being East Dunbartonshire and Fife, with 55 sales each.

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 December 2023, there was 1 such authority, down from 2 in November, the one area being Moray, where prices are up by 4.8% over the year. All property types, except for detached homes, have seen prices rise over the year in Moray, with the December prices including the highest-priced flat of the year, selling for £315k, and the highest-priced terrace of the year, for £415k.

Heat Map

The heat map below shows the rate of house price growth for the 12 months ending December 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 rise over the year was in Na h-Eileanan Siar, at 15.6% growth, with the largest fall in the year in the Orkney Islands at -12.8%.



How Scotland Compares

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

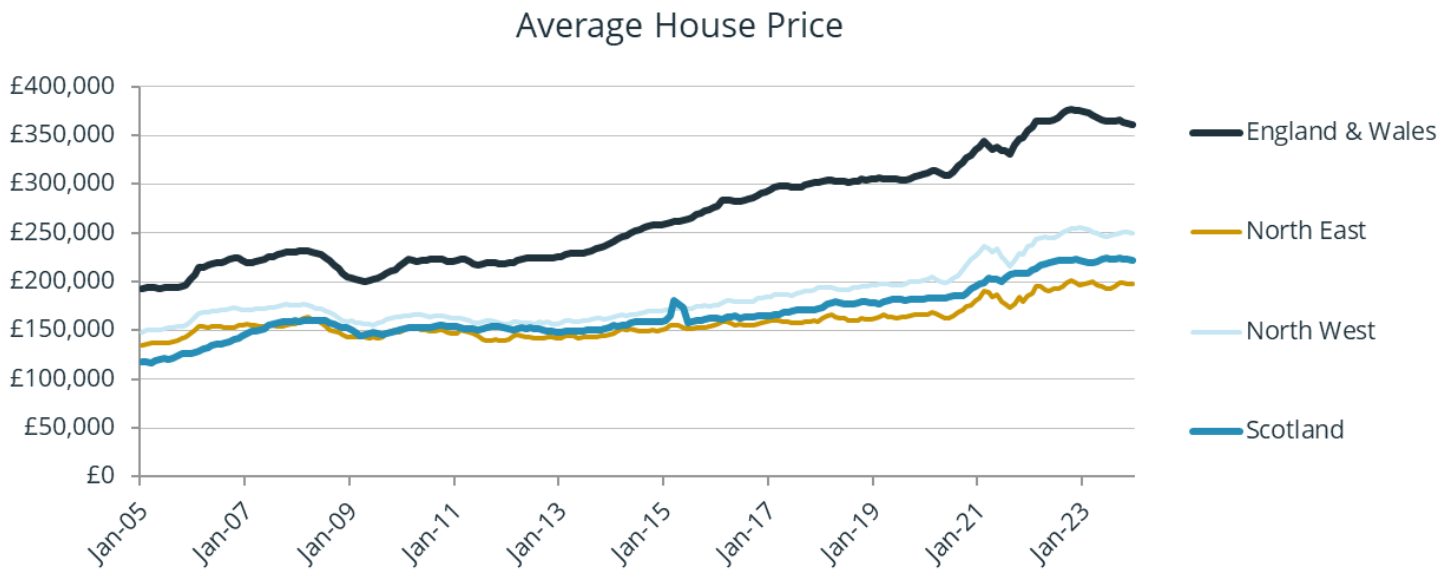
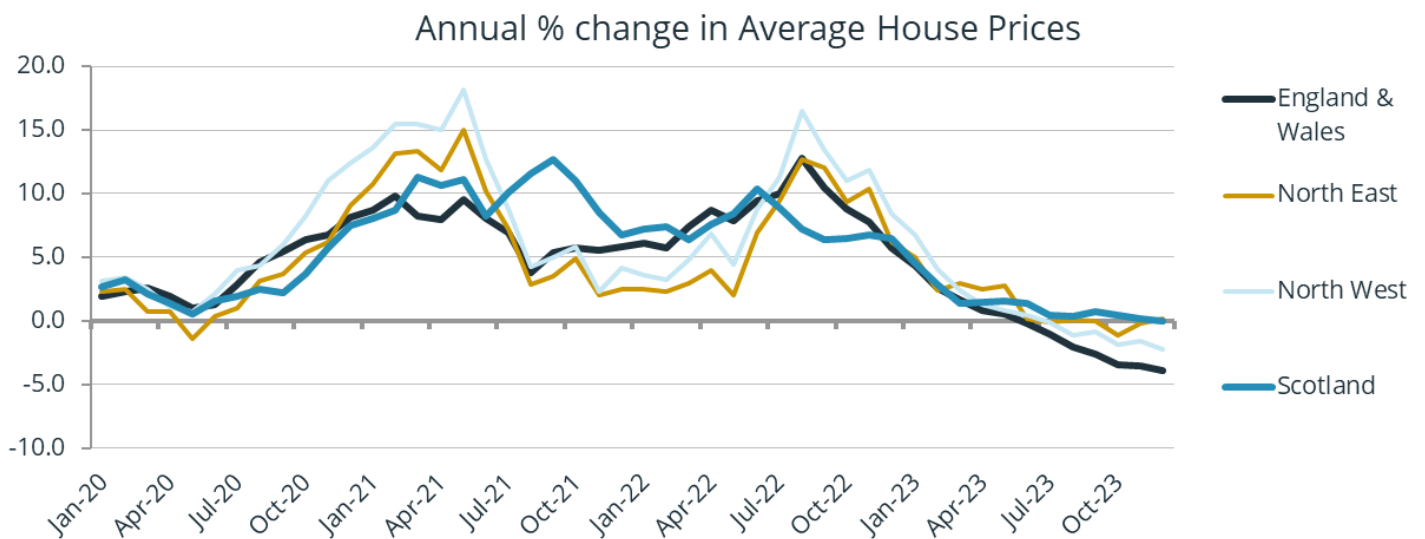


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020–December 2023 ([Link to source Excel](#))



Scotland's Eight Cities

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

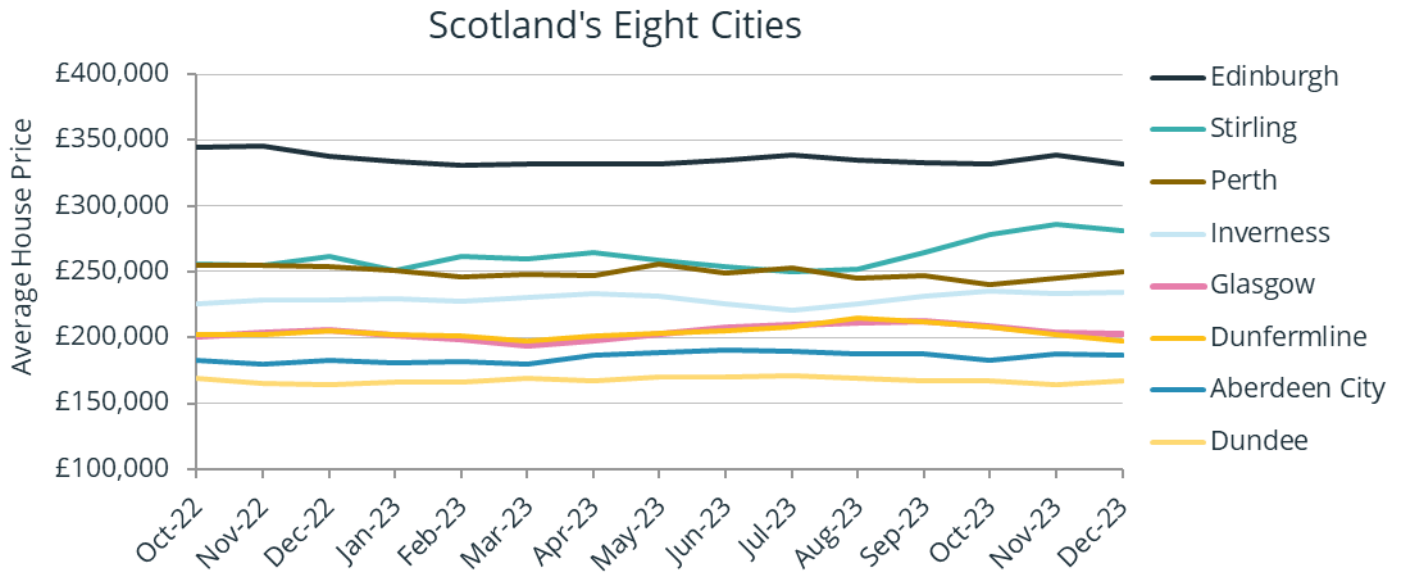
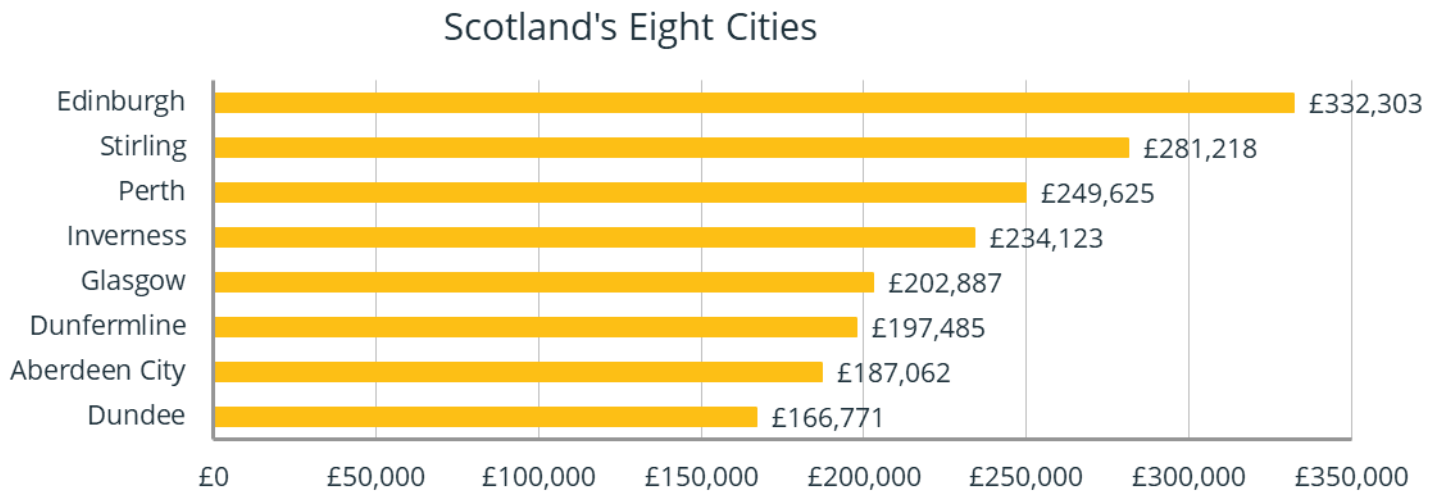


Figure 6. Average house prices for Scotland's eight cities December 2023 ([Link to source Excel](#))



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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