

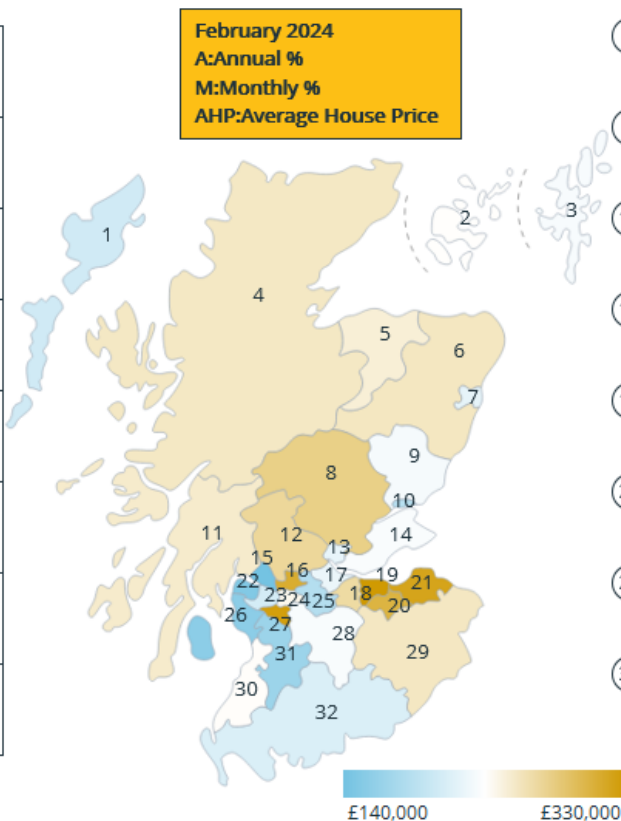
Annual price growth positive at +0.4%

- Rising prices in 18 local authorities; two more than January
- Inverclyde has highest annual growth rate in February at 11.4%...
- ...but transactions remain low due to affordability issues

- 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 %
£220,736	289.1	-0.2	0.4

1 Na h-Eileanan Siar A 7.2% M 4.8% AHP £177,429	2 Orkney Islands A -4.6% M 2.8% AHP £196,389
5 Moray A 2.1% M 3.8% AHP £216,669	6 Aberdeenshire A -2.3% M 0.3% AHP £227,819
9 Angus A 1.0% M 2.0% AHP £190,766	10 Dundee City A 1.6% M 3.7% AHP £168,671
13 Clackmannanshire A 6.5% M -3.2% AHP £186,175	14 Fife A -4.3% M -2.2% AHP £192,272
17 Falkirk A -0.4% M 0.7% AHP £187,311	18 West Lothian A 3.1% M 1.8% AHP £244,021
21 East Lothian A 0.6% M -5.2% AHP £317,060	22 Inverclyde A 11.4% M -0.3% AHP £149,211
25 North Lanarkshire A 3.8% M 2.6% AHP £167,258	26 North Ayrshire A -2.1% M 1.2% AHP £152,835
29 Scottish Borders A 1.4% M -2.6% AHP £227,172	30 South Ayrshire A -5.7% M -3.7% AHP £197,126



3 Shetland Islands A -5.6% M -3.8% AHP £191,521	4 Highland A -0.9% M -1.9% AHP £226,268
7 Aberdeen City A 2.1% M -2.9% AHP £185,333	8 Perth & Kinross A 5.3% M 3.1% AHP £258,681
11 Argyll & Bute A -2.6% M 2.7% AHP £221,692	12 Stirling A -4.9% M -7.8% AHP £248,551
15 West Dunbartonshire A -3.9% M 2.3% AHP £143,908	16 East Dunbartonshire A 5.6% M -0.1% AHP £305,017
19 City of Edinburgh A -0.4% M 0.5% AHP £329,976	20 Midlothian A 3.4% M -0.7% AHP £296,146
23 Renfrewshire A 1.7% M -1.1% AHP £178,768	24 Glasgow City A 2.8% M 0.1% AHP £204,060
27 East Renfrewshire A -4.4% M -5.8% AHP £324,203	28 South Lanarkshire A -0.9% M 1.8% AHP £191,916
31 East Ayrshire A 5.3% M 1.9% AHP £158,483	32 Dumfries & Galloway A 0.1% M 2.8% AHP £181,124

Table 1. Average House Prices in Scotland for the period February 2023 – February 2024
(The prices are end-month smoothed over a 3 month period) ([Link to source Excel](#))

Month	Year	House Price	Index	Monthly Change %	Annual Change %
February	2023	£219,815	287.9	-0.6	2.8
March	2023	£219,546	287.5	-0.1	1.3
April	2023	£221,163	289.7	0.7	1.5
May	2023	£223,383	292.6	1.0	1.6
June	2023	£223,798	293.1	0.2	1.4
July	2023	£223,264	292.4	-0.2	0.4
August	2023	£223,044	292.1	-0.1	0.4
September	2023	£223,699	293.0	0.3	0.6
October	2023	£223,268	292.4	-0.2	0.4
November	2023	£222,819	291.8	-0.2	0.1
December	2023	£221,508	290.1	-0.6	-0.4
January	2024	£221,130	289.6	-0.2	0.0
February	2024	£220,736	289.1	-0.2	0.4

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:

“Our analysis this month reveals a small fall in the average house price for February of some £400, or -0.2%. The average is now £220,736.

“Of note is the fact that this is the fifth monthly fall in prices in a row, but given just how many headwinds the market and home buyers have faced, the total reduction in prices - since they peaked in June 2023 at £223,800 - only amounts to £3,000, or 1.4%.

“Housing remains remarkably resilient and we are also expecting some of the better market news of recent weeks may positively impact pricing in the coming months. Mortgage approvals across the UK are up 39% compared to the same period last year and this should feed into better completion figures and support prices.

“The signs of improvement are already there with 18 local authority areas seeing prices rise in February - two more than in the previous month. Notably Edinburgh also saw prices rise in February.

“It’s also worth noting that on an annual basis, Scotland’s rate of growth turned positive in February 2024, up by £920, or +0.4% from one year earlier.”

Commentary: John Tindale, Acadata Senior Housing Analyst

February's housing market

Scotland's average house price fell in February by some £400, or -0.2%, and now stands at £220,736. This is the fifth monthly fall in prices in a row, and is the first time that the average price has been below £221,000 since March 2023 – almost one year earlier. However, the total reduction in prices – since they peaked in June 2023 at £223,800 – only amounts to £3,000, or 1.4%. It is therefore possible that this shortfall from the peak could be rectified in March 2024 if some of the more favourable factors seen in February continue to apply. For example, 18 local authority areas saw prices rise in February 2024, which was two more than in the previous month. Edinburgh also saw prices rise in February 2024, after they had fallen by some -£9,000 over the previous two months. Edinburgh has consequently returned to being the authority with the highest average house price (see Table2), having been in second or third place over the previous five months.

On an annual basis, Scotland's rate of growth turned positive in February 2024, up by £920, or +0.4% from one year earlier, having been at zero % growth in January 2024, and negative at -0.4% in December 2023.

It should also be borne in mind that January and February are typically the weakest months of the year in Scotland's housing market in terms of transaction levels, which is in part to do with Christmas, since many estate agents remain closed over the holiday period. When sales levels are low, minor trends – which might otherwise have been obscured by the larger number of sales that take place in the other months of the year – can stand out. For example, in February 2024 a three-bedroom detached cottage on the Isle of Harris sold for £417k, which ordinarily in the summer months might have gone unnoticed. However, being a February sale this purchase propelled Na h-Eileanan Siar into first place, with the highest monthly growth rate and second place for the next-to-highest annual growth rate of all 32 local authority areas in Scotland.

Figure 1. Scotland's average house price for the period from March 2020 to February 2024 ([Link to source Excel](#))

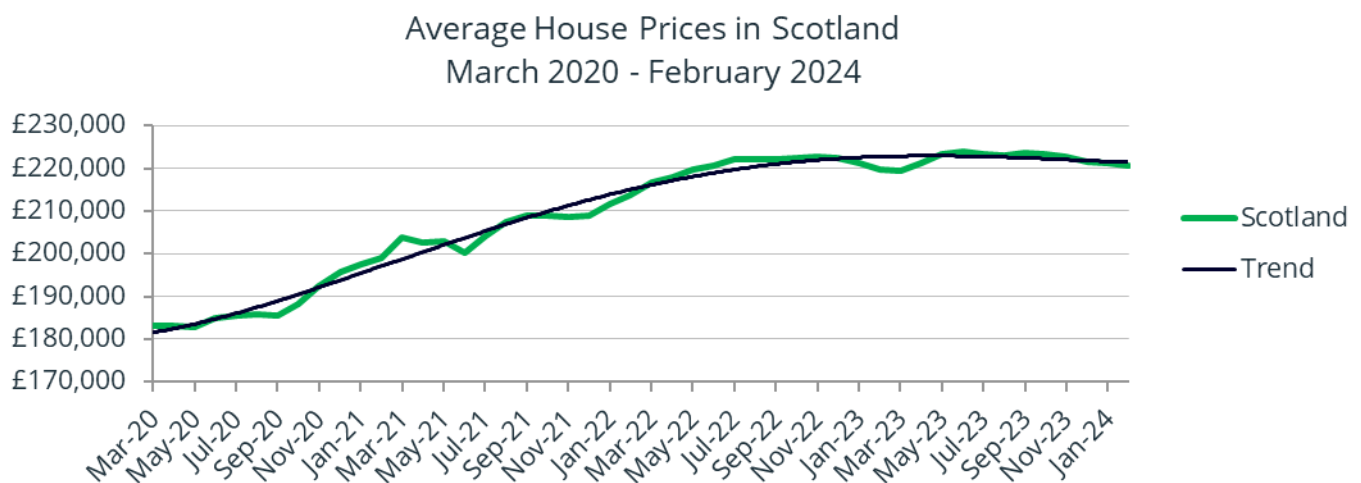


Figure 1 shows how average house prices in Scotland have changed over the near four years from the start of the pandemic in March 2020 to February 2024. Prices have increased by some £37,700, or 20.6% over this period. This compares to a movement of 20.4% in the CPIH Index over the same period – suggesting that the value of a home in Scotland has kept pace with inflation.

It can be seen from Figure 1 that values have generally been “flat-lining” over the last two years, with prices having first reached the current level of £220,736 in June 2022, some twenty months earlier.

Local Authority Analysis

Table 2. Average House Prices in Scotland, by local authority area, comparing February 2023 with January and February 2024 ([Link to source Excel](#))

Prior Year Rank	Rank By Price	Local Authority Area	Feb-23	Jan-24	Feb-24	Month % Change	Annual % Change
2	1	City of Edinburgh	£331,236	£328,359	£329,976	0.5%	-0.4%
1	2	East Renfrewshire	£339,167	£344,059	£324,203	-5.8%	-4.4%
3	3	East Lothian	£315,260	£334,382	£317,060	-5.2%	0.6%
4	4	East Dunbartonshire	£288,802	£305,250	£305,017	-0.1%	5.6%
5	5	Midlothian	£286,465	£298,211	£296,146	-0.7%	3.4%
7	6	Perth and Kinross	£245,593	£250,828	£258,681	3.1%	5.3%
6	7	Stirling	£261,481	£269,476	£248,551	-7.8%	-4.9%
8	8	West Lothian	£236,621	£239,788	£244,021	1.8%	3.1%
9	9	Aberdeenshire	£233,121	£227,037	£227,819	0.3%	-2.3%
12	10	Scottish Borders	£224,127	£233,339	£227,172	-2.6%	1.4%
10	11	Highland	£228,259	£230,629	£226,268	-1.9%	-0.9%
11	12	Argyll and Bute	£227,544	£215,849	£221,692	2.7%	-2.6%
13	13	Moray	£212,186	£208,652	£216,669	3.8%	2.1%
18	14	Glasgow City	£198,440	£203,935	£204,060	0.1%	2.8%
14	15	South Ayrshire	£208,969	£204,649	£197,126	-3.7%	-5.7%
15	16	Orkney Islands	£205,910	£191,038	£196,389	2.8%	-4.6%
17	17	Fife	£200,892	£196,681	£192,272	-2.2%	-4.3%
19	18	South Lanarkshire	£193,597	£188,549	£191,916	1.8%	-0.9%
16	19	Shetland Islands	£202,906	£199,097	£191,521	-3.8%	-5.6%
20	20	Angus	£188,823	£187,059	£190,766	2.0%	1.0%
21	21	Falkirk	£188,125	£185,933	£187,311	0.7%	-0.4%
25	22	Clackmannanshire	£174,750	£192,263	£186,175	-3.2%	6.5%
22	23	Aberdeen City	£181,606	£190,894	£185,333	-2.9%	2.1%
23	24	Dumfries and Galloway	£180,981	£176,133	£181,124	2.8%	0.1%
24	25	Renfrewshire	£175,858	£180,792	£178,768	-1.1%	1.7%
27	26	Na h-Eileanan Siar	£165,573	£169,264	£177,429	4.8%	7.2%
26	27	Dundee City	£165,969	£162,636	£168,671	3.7%	1.6%
28	28	North Lanarkshire	£161,092	£163,081	£167,258	2.6%	3.8%
30	29	East Ayrshire	£150,531	£155,493	£158,483	1.9%	5.3%
29	30	North Ayrshire	£156,131	£151,061	£152,835	1.2%	-2.1%
32	31	Inverclyde	£133,941	£149,652	£149,211	-0.3%	11.4%
31	32	West Dunbartonshire	£149,709	£140,641	£143,908	2.3%	-3.9%
All Scotland			£219,815	£221,130	£220,736	-0.2%	0.4%

Table 2 above shows average house prices, calculated on a seasonal- and mix-adjusted basis, by Local Authority Area, for February 2023 and January and February 2024, together with the corresponding percentage price changes over the last month and year. The ranking figures are based on average

house prices in February 2023 and 2024. Line items are shaded in blue in cases where average house prices in the Local Authority Area have experienced record highs in February 2024.

Annual change

The average house price in Scotland in February 2024 has increased by £920, or 0.4%, over the last twelve months, which is 0.4% higher than the revised rate of 0.0% seen in January 2024, one month earlier. This followed the December 2023 annual figure of -0.4% which was the first time the annual growth rate had been negative since May 2016, some seven and a half years earlier.

In February 2024, 18 of the 32 local authorities in Scotland were reporting a positive movement in prices over the previous twelve months, two more than in January 2024.

Inverclyde had the highest annual rate of price growth in February of all local authority areas in Scotland, at 11.4%. In Inverclyde, all property types except semi-detached homes have seen an increase in values over the last twelve months, with detached homes having the largest influence on prices, assisted by the sale of the highest priced property of the last eighteen months – a 5-bedroom detached home in Kilmacolm, which sold for £1.45 million.

The second-highest growth rate was in Na-h Eileanan Siar, at 7.2%, with all property types - except semi-detached homes - seeing a rise in average values. The increase on the Islands was assisted by the sale of a three-bedroom detached cottage overlooking the white sands beach at Luskentyre, on the Isle of Harris, for £417k.

Monthly change

In February 2024, Scotland's average house price fell by some £400, or -0.2%, which represents the fifth consecutive month in which prices have fallen, albeit mostly by relatively small amounts. The average price paid for a home in Scotland now stands at £220,736 – a level first reached in June 2022, twenty months earlier.

In February 2024, 18 of the 32 Local Authority areas in Scotland experienced rising prices in the month, two more than seen in January 2024. The area with the highest increase in its average price in the month was Na h-Eileanan Siar, up by 4.8%, which is discussed above. In second place was Moray, up by 3.8%. In Moray, all property types saw an increase in average prices in the month, except for flats. The most significant increase in prices was in detached homes, up from an average £288k in January 2024 to £294k one month later - this was assisted by the sale of a 5-bedroom detached home in Forres for £600k. The uptick in values in the month has enabled Moray to reach a new record average price, of £216,669, the only Local Authority to have done so in February.

By way of contrast, the Local Authority area with the largest monthly fall in its average price was Stirling, down by -7.8%. All property types saw a fall in Stirling in February, with the largest being detached homes, down from an average £420k in January to £370k in February. Stirling had experienced a detached home sale in excess of £2 million for three months in a row from September 2023 to November 2023, but with no similarly valued sales in 2024, average prices have subsequently fallen.

For interest, the highest-priced residential property to have been sold in Scotland in February 2024 was a four-bedroom detached home in Morningside, Edinburgh - it was purchased for £1.75 million.

Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period from January 2019 to February 2024, based on Registers of Scotland (RoS) figures for the Date of Entry (except for February 2024, which is based on RoS Application Dates).

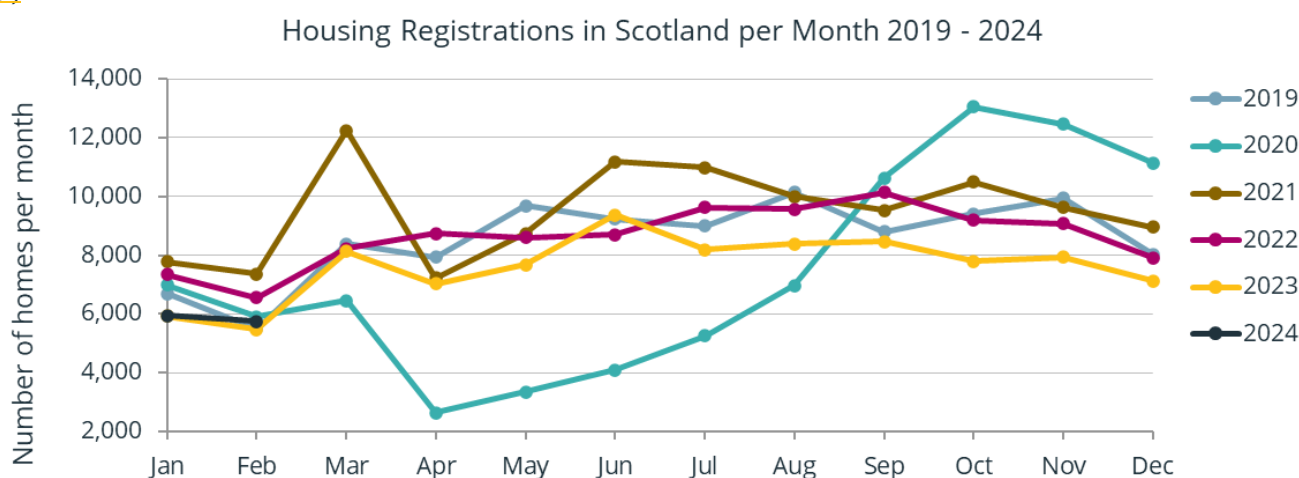
The first year on the chart, 2019 (light blue line), was relatively “normal” having an average 8,560 sales per month, some 2.1% higher than the total for 2018.

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 it ceased 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 increased a further two times, ending the year at 3.5%, with transactions falling to 7,900 in December 2022.

Figure 2. The number of sales per month recorded by RoS based on entry date from 2019 – 2024 ([Link to source Excel](#))



This brings us to 2023 (the yellow line) - the relatively high bank rate of 3.5% had an adverse effect on property transactions, with only 5,920 sales for January 2023 – the lowest January total since 2013. Although the housing market in 2023 did enjoy the spring bounce in transactions that traditionally occurs 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 91,500 properties, which is 11.7% down on 2022 and is the lowest annual total since 2013.

Sales in January 2024 were higher than January 2023, but only by a marginal 28 properties. February 2024 also looks as if it will be marginally higher than 2023, although registrations for the month are still being processed by RoS – a better picture will be available in March.

Scotland transactions of £750k or higher

Table 3. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – February 2024 ([Link to source Excel](#))

Sales of £750k+										
Month	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	33	27	19	35	44	49	65	88	75	74
2	42	20	15	52	26	33	62	69	53	47
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	105	
9	46	44	56	70	59	67	127	136	125	
10	23	52	48	55	40	114	102	124	106	
11	48	38	37	59	58	109	101	115	113	
12	34	23	40	31	49	105	79	83	72	
Total	555	445	460	537	583	651	1102	1231	1070	121

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 47 such transactions recorded by RoS for February 2024. Currently, this is the fifth-highest February total recorded to date, but with RoS processing further data for the month, it may possibly rise to third place in the yearly rankings – this will become evident next month. 121 high-value sales have been recorded to date in 2024, which is lower than the 128 recorded for the first two months of 2023, but again it will be next month to see if the previous year's total has been surpassed.

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 1,070 sales, is ranked third.

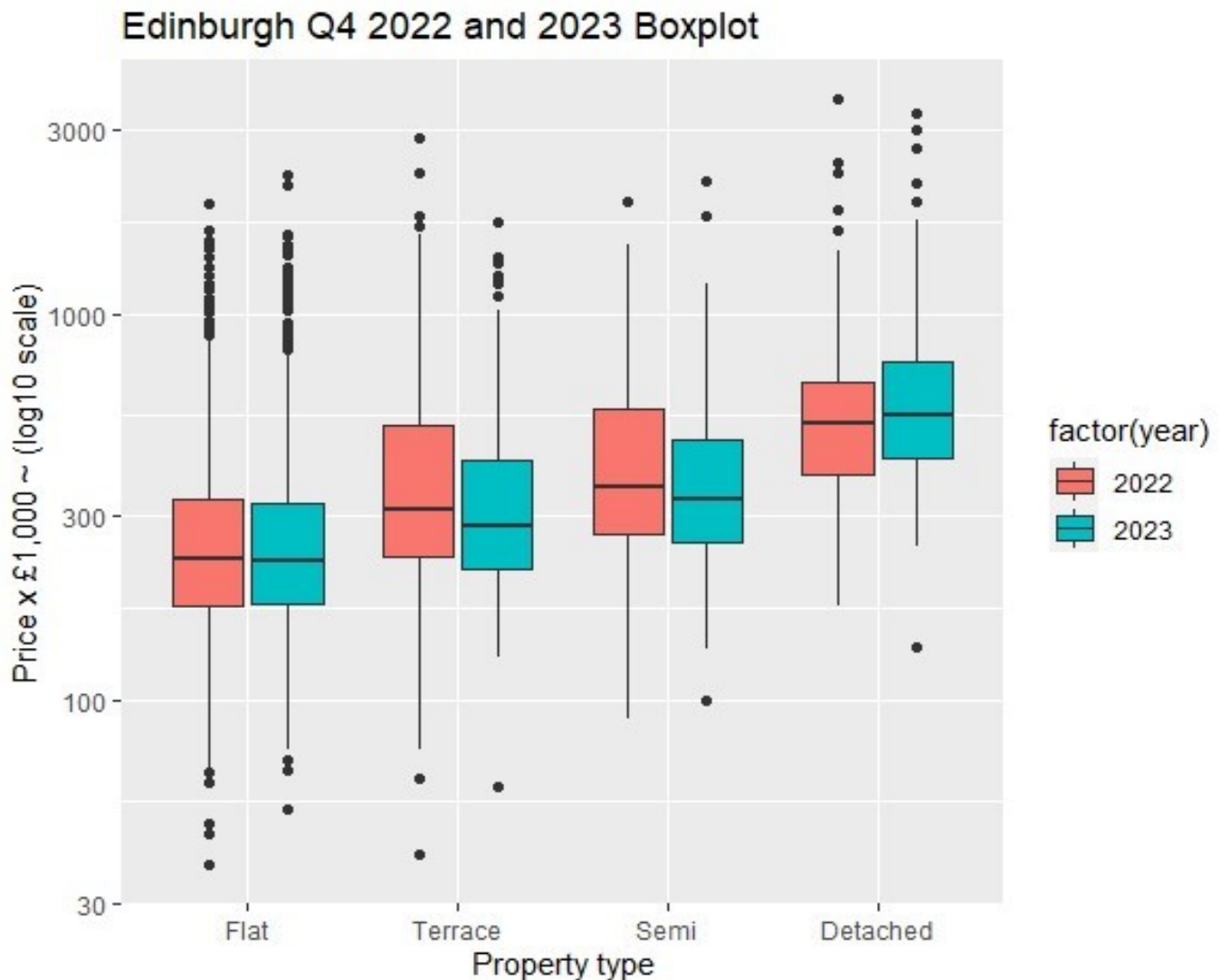
However, there is a clear trend, in that the totals in each month of 2023 are lower than a year earlier. In aggregate, the high-value 2023 transactions are down on the 2022 total by 13.1%, compared to an 11.7% downturn in sales volumes in the market as a whole, indicating that 2022's enthusiasm for the purchase of high-value homes marginally decreased in 2023.

Edinburgh accounts for 61 of the 121 high-value sales (50%) that have been recorded by RoS in 2024, compared to 44% of the total in 2023. In Edinburgh, the 61 sales in 2024 are split between property types as follows:- flats 24; detached 17; terraces 14; semi-detached 5; and 1 unallocated.

In 2024, in addition to Edinburgh, the following local authority areas had 3 or more sales of properties having a value equal to, or in excess of £750k:- East Lothian (9); Fife (8); Glasgow City (7); Perth and Kinross (5); Scottish Borders (4); East Dunbartonshire (4); Argyll and Bute (3) and finally Inverclyde (3).

Edinburgh Boxplot

Figure 3. A boxplot of house prices for the City of Edinburgh, comparing the three months data for October to December 2022 with the same three months in 2023.



The graph shows eight “Boxplots” for Edinburgh’s property sales for the three months October to December 2022, and the same three months in 2023. The black line within each box represents the “median” price of the property type, so for example in Q4 2022, the median price of an Edinburgh flat was £235,000, which had reduced to £234,500 in Q4 2023.

The top line of each box represents the 75% quartile price, and the bottom line represents the 25% quartile price. A quartile price can be thought of as follows – if you placed all the flats that had been sold in Edinburgh during the given period in a street in ascending order of price, then the 25% quartile would be the price of the flat that was one quarter of the way along the street. The 50% quartile, also known as the median, would be at the half-way point along the street, and the 75% quartile property would be found three quarters of the way up the street.

The length of the box from the bottom line (25% quartile) to the top line (75% quartile) is known as the “Interquartile Range” or IQR. It represents the variance in price – thus it can be seen that for both Terraces and Semis the IQR was larger in 2022 than 2023 – indicating the range in prices in 2023 were

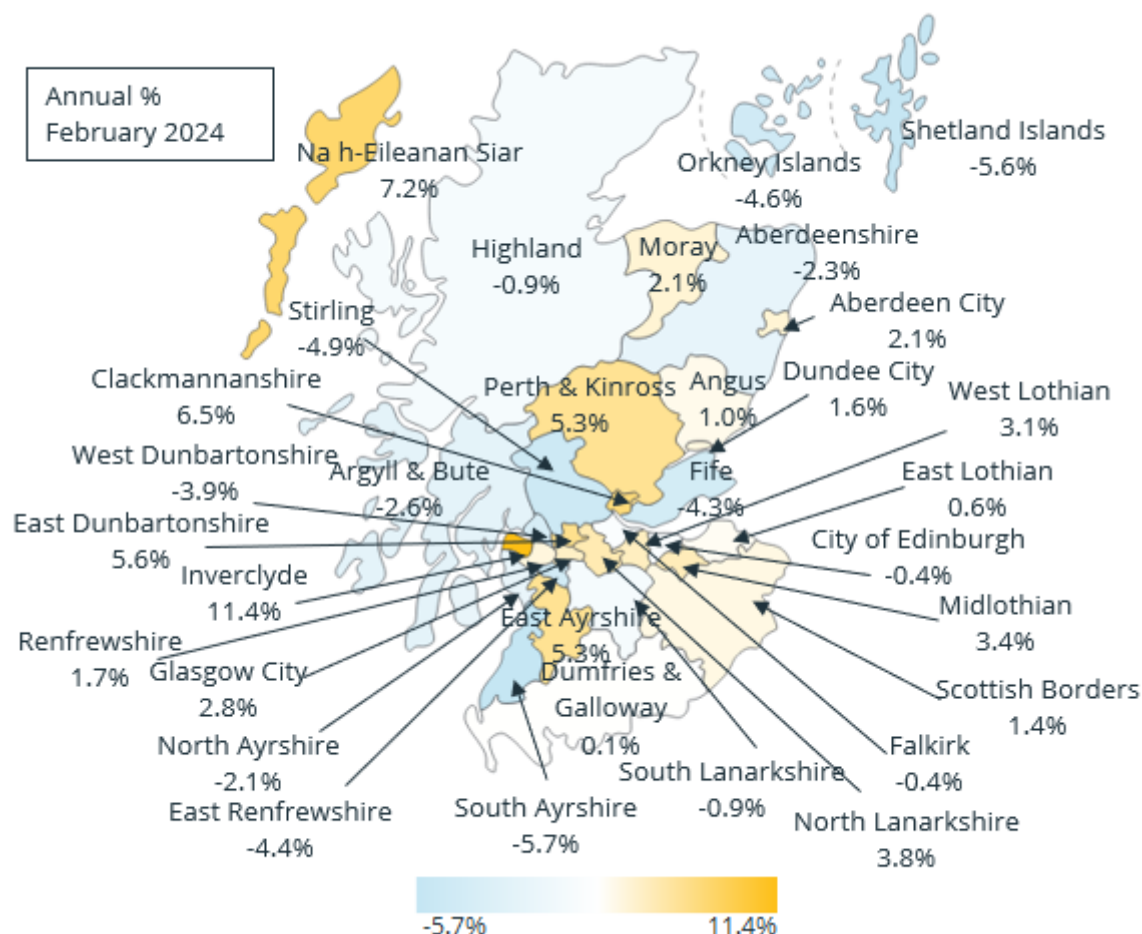
less varied than the previous year, with the median price shifting lower, suggesting that purchasers of these property types were looking at the less expensive, and probably smaller, end of the market.

The whisker lines that protrude from the top and bottom of the boxes show how the remaining properties are distributed in terms of their price relative to the median and the 25% and 75% quartiles. The black dots that fall outside of the whiskers are considered to be “outliers” and may possibly be excluded from the data when calculating items such as the average price.

One of the reasons for showing the “Edinburgh Boxplots” is to illustrate the major movements in prices in the capital in 2023 Q4 compared to 2022 Q4. As can readily be seen from the graph, the only property type to have seen a shift upward in its 25%, median and 75% quartile prices is detached homes, with the median increasing from £520,000 to £522,500 over the period. The price of flats, the most popular property type in Edinburgh, has hardly altered between the two years. Meanwhile, the price of terraces and semi-detached homes have fallen across the two years – with a strong likelihood that purchasers in Q4 2023 have been looking at smaller properties, with lower price tags – given the high interest rates affordability became one of the key factors in the 2023 housing markets.

Heat Map

The heat map below shows the rate of house price growth for the 12 months ending February 2024. 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 in Inverclyde, at 11.4% growth, with the largest fall in the year in South Ayrshire at -5.7%.



How Scotland Compares

Figure 4. Scotland house prices, compared with England and Wales, North East and North West for the period January 2005-February 2024 (Link to source Excel)

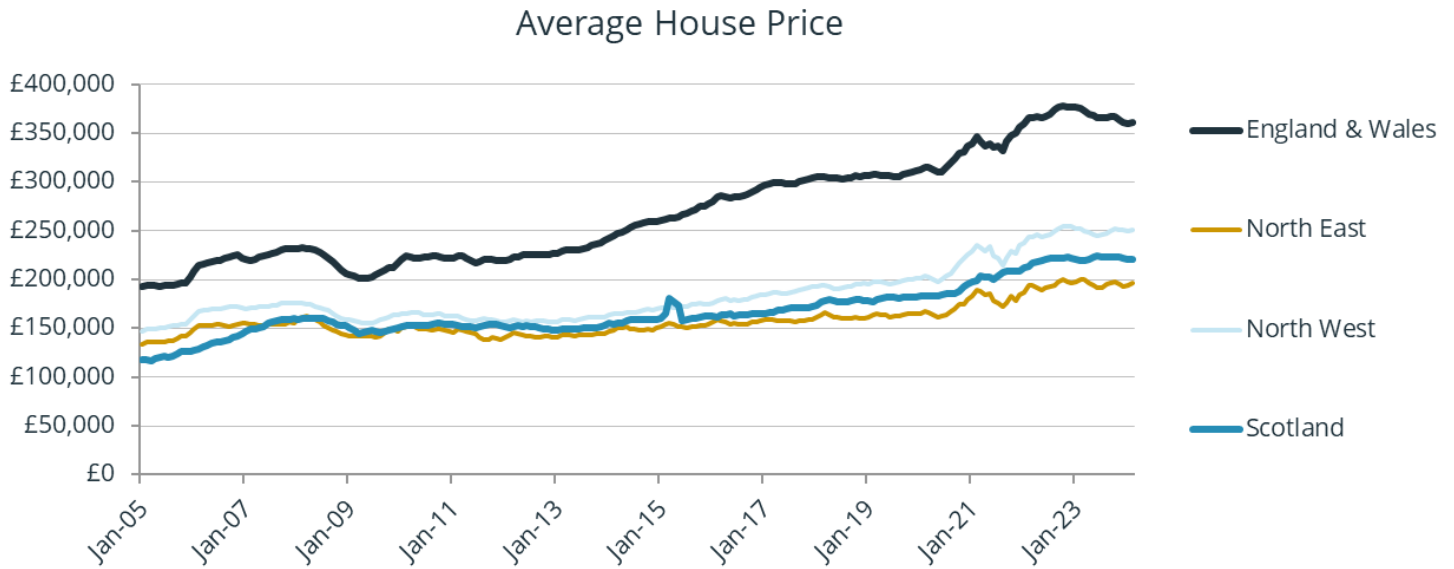
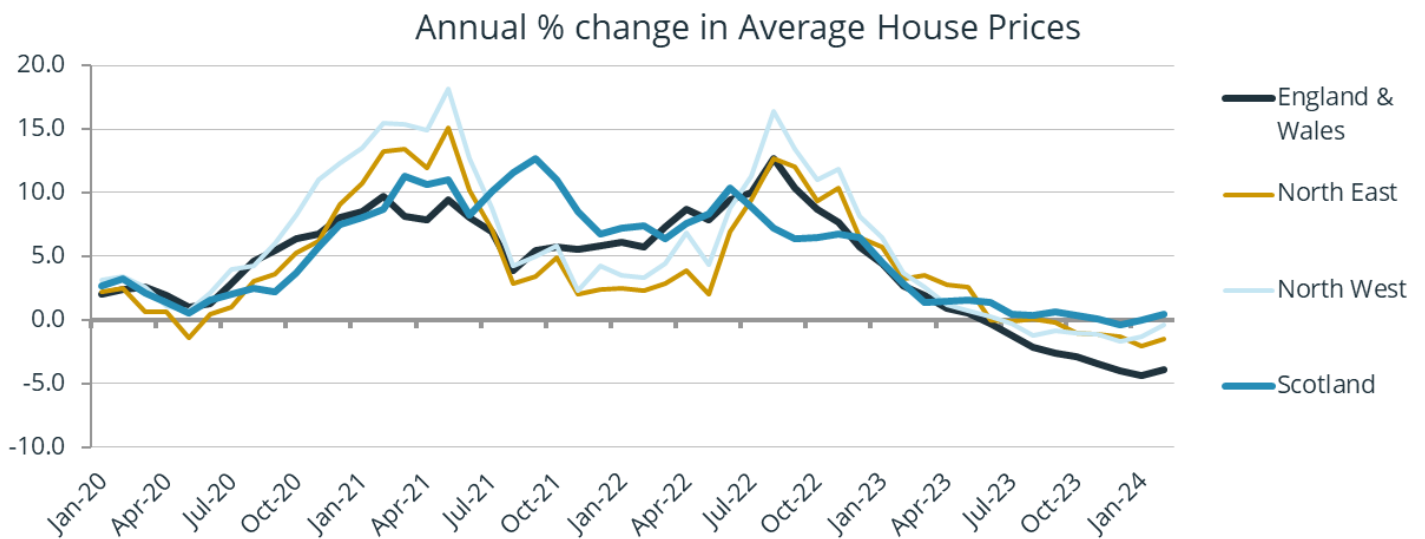


Figure 5. A comparison of the annual change in house prices in Scotland, England and Wales, North East and North West for the period January 2020-February 2024 (Link to source Excel)



Scotland's Eight Cities

Figure 6. Average house prices for Scotland's eight cities from December 2022–February 2024 ([Link to source Excel](#))

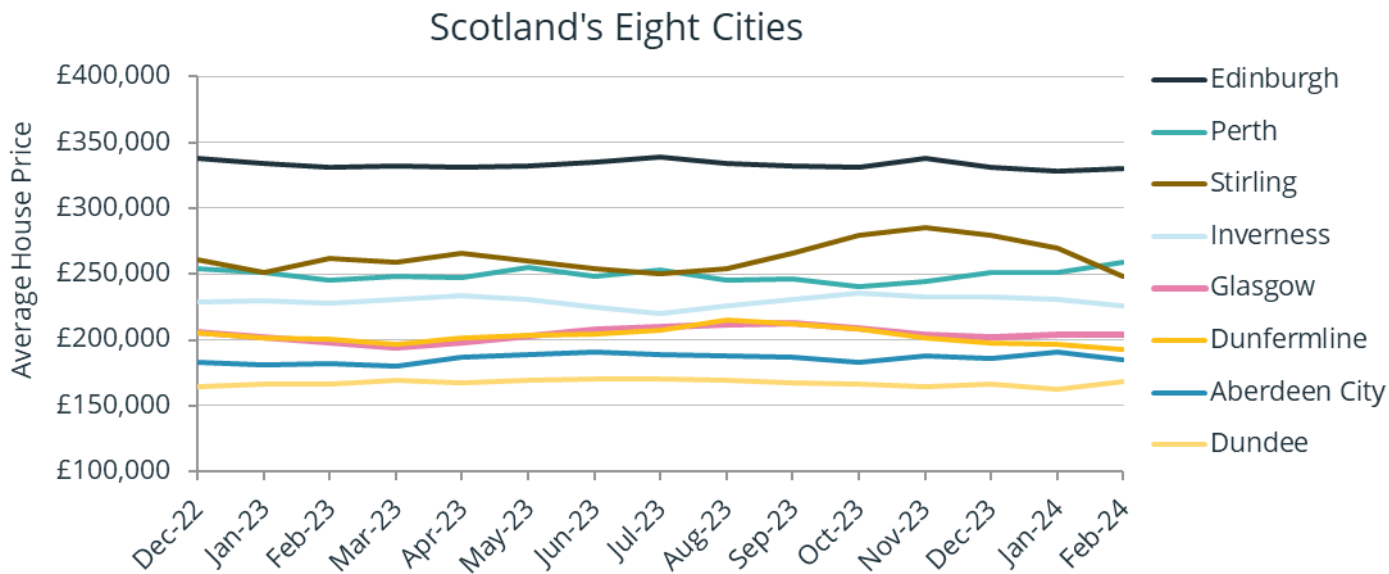
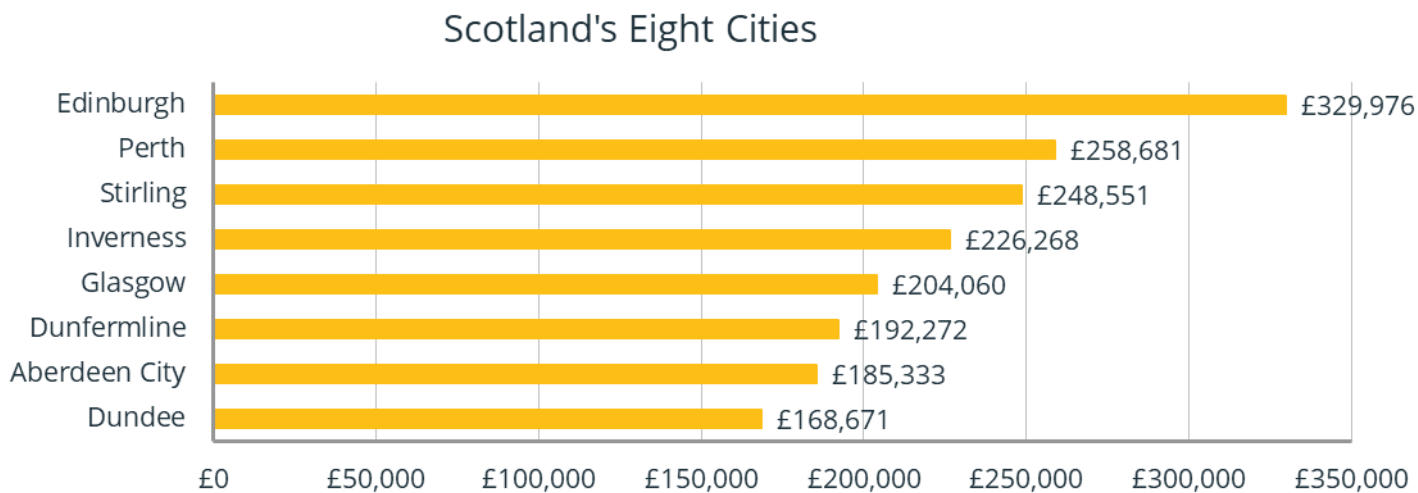


Figure 7. Average house prices for Scotland's eight cities February 2024 ([Link to source Excel](#))



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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