

Modest recovery lifts prices to new highs

- Average prices in Scotland 2.5% up on a year ago
- Several central belt local authorities reach new highs
- Sales activity strengthens further as momentum builds

House Price	Index	Monthly Change %	Annual Change %
£226,623	296.8	0.9	2.5

Scott Jack, Regional Development Director at Walker Fraser Steele, comments:

“Market activity levels have picked up over recent months and the near future looks promising for house prices. Improved mortgage pricing has been key to that and while downward expectations of interest rates remain, this will continue to help buyers’ affordability.

Our data reveals that prices in August picked up by more than £2,000 (0.9%) compared with July. The increase took average prices to £226,600 – a new peak for the fourth time since the Spring of 2024 with a substantial majority of local authorities reporting stronger prices than a year ago and nine of these reporting increases of over 5% over the year.

Nor is this positive sentiment reflected solely in prices. Our data shows that though we are in peak holiday season. August may pip May to be the strongest month of the year so far for sales transactions.

The Scottish market for now is performing better than its neighbours south of the border but we are mindful there are headwinds on the horizon in the shape of tax rises in the October budget that will impact buyers, landlords and the Bank of Mum and Dad. The outcome of the election in the United States will also be key if it negatively impacts confidence in the money markets and therefore mortgage pricing.”

Housing market commentary

Table 1. Average prices in Scotland year to August 2024

Month	Year	Property Price	Index	Monthly % change	Annual % change
Aug	2023	£221,029	289.5	0.0	0.3
Sep	2023	£221,617	290.3	0.3	0.6
Oct	2023	£221,500	290.1	-0.1	0.3
Nov	2023	£221,316	289.9	-0.1	0.0
Dec	2023	£220,441	288.7	-0.4	-0.5
Jan	2024	£220,341	288.6	0.0	0.0
Feb	2024	£220,299	288.5	0.0	0.6
Mar	2024	£222,361	291.2	0.9	2.0
Apr	2024	£224,971	294.6	1.2	2.8
May	2024	£225,577	295.4	0.3	2.4
Jun	2024	£224,689	294.3	-0.4	1.6
Jul	2024	£224,584	294.1	0.0	1.7
Aug	2024	£226,623	296.8	0.9	2.5

The Scottish housing market continues to see an earlier and stronger price revival than England or Wales.

Prices in August picked up by more than £2,000 (0.9%) compared with July. The increase took average prices to £226,600 – a fresh market peak for the fourth time since the Spring of 2024.

That said, as Figure 1 shows, this is a modest recovery so far, with prices up by only 2.5% year-on-year.

Figure 1: Prices are consistently higher than a year ago

Scotland annual price changes, last 3 years



Local Authority prices

Table 2. How prices in August 2024 compare

Rank	Prior Year Rank	Local authority	Aug 2023	Jul 2024	Aug 2024	Monthly % chg	Annual % chg
1	(2)	East Renfrewshire	£324,421	£349,334	£350,247	0.3%	8.0%
2	(1)	City Of Edinburgh	£333,792	£335,899	£343,703	2.3%	3.0%
3	(3)	East Lothian	£316,722	£316,047	£335,215	6.1%	5.8%
4	(4)	East Dunbartonshire	£308,975	£296,602	£295,442	-0.4%	-4.4%
5	(5)	Midlothian	£284,815	£291,287	£290,470	-0.3%	2.0%
6	(6)	Stirling	£251,341	£266,414	£271,202	1.8%	7.9%
7	(8)	West Lothian	£234,033	£250,424	£255,602	2.1%	9.2%
8	(7)	Perth and Kinross	£242,779	£246,938	£240,163	-2.7%	-1.1%
9	(10)	Highland	£223,214	£234,707	£233,212	-0.6%	4.5%
10	(9)	Aberdeenshire	£227,800	£230,715	£232,211	0.6%	1.9%
11	(14)	Scottish Borders	£212,162	£222,824	£219,795	-1.4%	3.6%
12	(12)	Orkney Islands	£217,089	£211,553	£214,475	1.4%	-1.2%
13	(15)	Moray	£211,490	£216,446	£212,746	-1.7%	0.6%
14	(16)	Glasgow City	£210,724	£209,554	£212,717	1.5%	0.9%
15	(11)	Argyll and Bute	£217,148	£217,571	£212,713	-2.2%	-2.0%
16	(13)	Fife	£213,105	£206,846	£207,779	0.5%	-2.5%
17	(22)	Shetland Islands	£186,645	£191,121	£205,695	7.6%	10.2%
18	(18)	South Lanarkshire	£196,682	£201,492	£203,421	1.0%	3.4%
19	(17)	South Ayrshire	£198,765	£195,004	£199,090	2.1%	0.2%
20	(21)	Clackmannanshire	£187,116	£186,358	£195,706	5.0%	4.6%
21	(24)	Renfrewshire	£179,144	£189,943	£192,570	1.4%	7.5%
22	(19)	Angus	£188,720	£192,940	£192,081	-0.4%	1.8%
23	(20)	Falkirk	£187,345	£187,568	£186,907	-0.4%	-0.2%
24	(23)	Aberdeen City	£183,970	£182,659	£182,387	-0.1%	-0.9%
25	(25)	Dumfries and Galloway	£176,963	£183,860	£180,730	-1.7%	2.1%
26	(28)	North Lanarkshire	£163,636	£166,903	£170,031	1.9%	3.9%
27	(26)	Dundee City	£167,042	£166,995	£168,458	0.9%	0.8%
28	(32)	Inverclyde	£137,544	£152,847	£159,038	4.1%	15.6%
29	(31)	West Dunbartonshire	£143,468	£152,830	£156,080	2.1%	8.8%
30	(30)	East Ayrshire	£144,886	£160,125	£154,955	-3.2%	6.9%
31	(29)	North Ayrshire	£150,076	£153,980	£153,846	-0.1%	2.5%
32	(27)	Na h-Eileanan Siar	£165,830	£150,480	£149,649	-0.6%	-9.8%
Scotland			£221,029	£224,584	£226,623	0.9%	2.5%

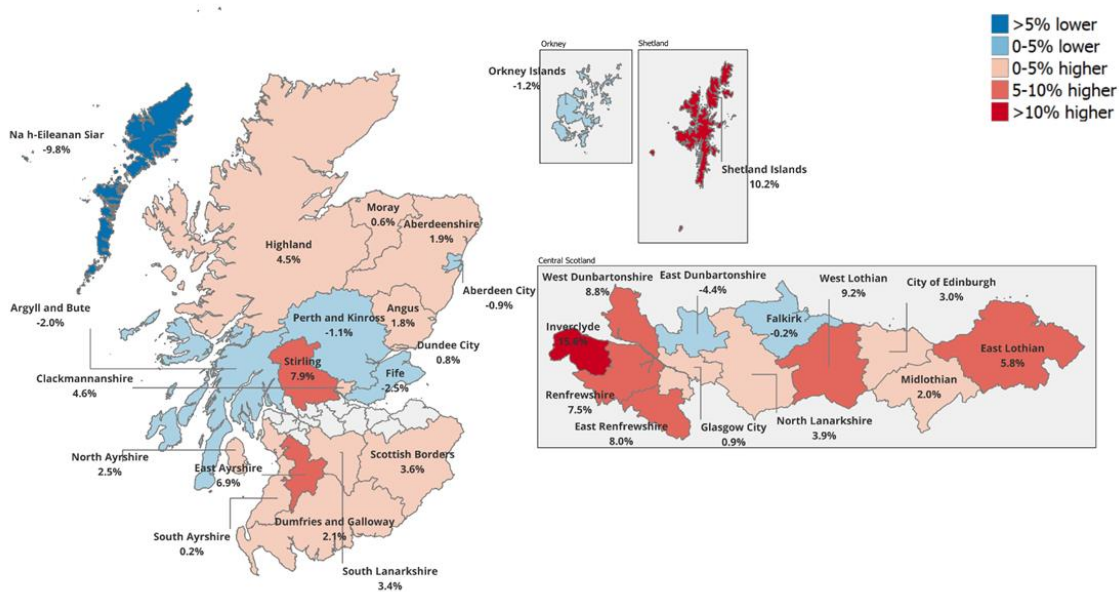
Note: Lines shaded in darker blue reflect cases where Local Authority or Scotland prices reached record highs this month.

Reflecting these more up-beat market conditions, eighteen local authority areas recorded rising prices in the month.

Prices in six local authorities – all in the central belt of Scotland - hit new market highs (see Table 2). East Renfrewshire mimicked West Lothian to post back-to-back fresh price peaks.

Several other authorities including Edinburgh also came within touching distance of prices which would set new record highs.

Figure 2. How prices have changed year to August 2004, by local authority

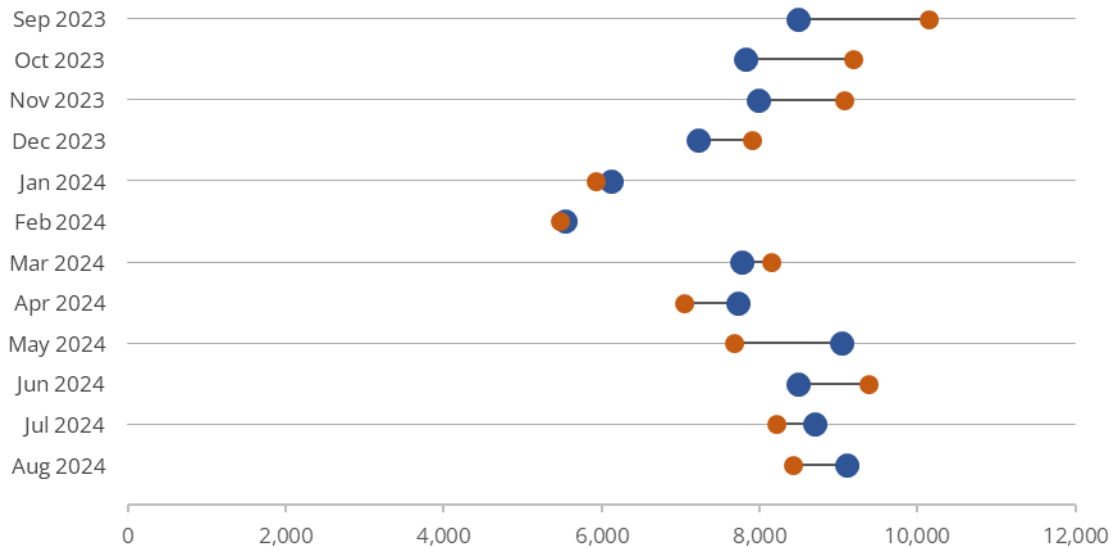


As can be seen from the heat map, in August a substantial majority of local authorities (24) reported stronger prices than a year ago, very much continuing the positive monthly pattern seen since March.

Among the “risers”, nine reported price increases of at least 5% over the year. At the other end of the spectrum, the market in Na h-Eileanan Siar (formerly Western Isles) again shows a weakening position and has the lowest average prices of any local authority for the second month in a row.

Transactions analysis

Figure 3. Monthly sales over the **most recent 12 months** compared with a **year earlier**



Note: July and August 2024 figures are Acadata estimates, based on the Registers of Scotland figures for the Date of Entry

Market activity levels have picked up over recent months. August may pip May to be the strongest month of the year so far for sales transactions and this despite it being a holiday period. There is still some uncertainty around the final numbers for August, with sales for the month not yet fully logged by Registers of Scotland, but activity is likely to have been well above a year ago (see Figure 3).

Indeed, it wasn't just in August that we saw heightened activity. It has outpaced that of a year earlier in six of the eight months so far this year. And cumulative sales for the year to date look to be tracking slightly above the same period of 2023. Meanwhile, sales in the capital and sales of properties worth more than £750,000 (that is, subject to the highest rates of LBTT) continue to be comfortably ahead of their corresponding 2023 numbers.

Housing markets in Scotland have moved ahead strongly over the last few months and there is little sign this will abate in the immediate future. Without doubt the changed outlook on interest rates is key to that. The mortgage market has been pricing in further reductions in base rate and lenders have been competing to both lower their rates and to improve mortgage terms, eg loan-to-income ratios. Such changes will ease the affordability pressures and will continue to bring further momentum to the market - aided of course by continuing wage growth and not least in the public sector which makes up a fifth of employment in the country.

In early September the First Minister set out the government's programme and this included giving considerable priority to boosting affordable housing supply with a focus on social housing but also a commitment to creating nearly 3,000 mid-market rental homes. There was little to indicate plans to boost home ownership and interestingly the early signs from the UK government are that it too will place its focus on social housing. Of course, there may be more to come related to the tax treatments (eg, stamp duty/transfer taxes) of this tenure for that we must wait upon the late October Autumn Statement). In the meantime we expect the market to continue to gather new momentum in the run-up to Christmas 2024.

Notes

The *Walker Fraser Steele Acadata House Price Index* is produced by Acadata, a consultancy specialising in house price data

The index is based on the actual prices at which nearly every residential property in Scotland is transacted, including prices for properties bought with cash, using the data provided by Registers of Scotland. Our property prices and indices are calculated on a seasonal- and mix-adjusted basis.

Acadata has updated its transaction weights and seasonal adjustment factors this month.

All Walker Fraser Steele Acadata HPI (Scotland) results are subject to change following receipt of updated data from Registers of Scotland.

See Acadata's [website](#) for additional information about the index and longer time series for the data highlighted in this report.

About Walker Fraser Steele

Walker Fraser Steele is the trading name of e.surv Chartered Surveyors in Scotland

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.

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