House Price Index (Scotland)

February 2025

Walker Fraser Steele
Chartered Surveyors

Gathering market momentum in slight doubt?

- **With Spring in the air, the housing market in Scotland should strengthen further despite a slowdown in sales growth in February**
- **Prices up in most but not all local authority areas**
- **But significant global and national uncertainty still remains**

House Price	Index	Monthly Change %	Annual Change %
£227,171	297.5	0.6	3.1

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

"Monthly prices in Scotland advanced by 0.6% in February, marking the third consecutive monthly increase. This positive trend is reflected across many local authorities, with eight reaching new market highs.

While mid- to lower-priced areas have seen significant growth, East Dunbartonshire stands out as an exception among the more expensive regions. Despite some areas experiencing price falls, the overall market sentiment remains optimistic.

Sales figures for 2024 show a 7% increase compared to the previous year, indicating a turnaround from the declines seen in 2022 and 2023. Although early signs suggest a slight slowdown in sales growth for January and February 2025, the market is expected to strengthen further as we move into spring.

With improving affordability and a generally positive sentiment, there is cautious optimism about the prospects for the Scottish housing market in 2025. The ongoing recovery is supported by increasing household finances and easing mortgage rates, which are likely to continue driving the market forward. Additionally, the consistent price increases across various local authorities suggest that the market has the potential for sustained growth throughout the year."

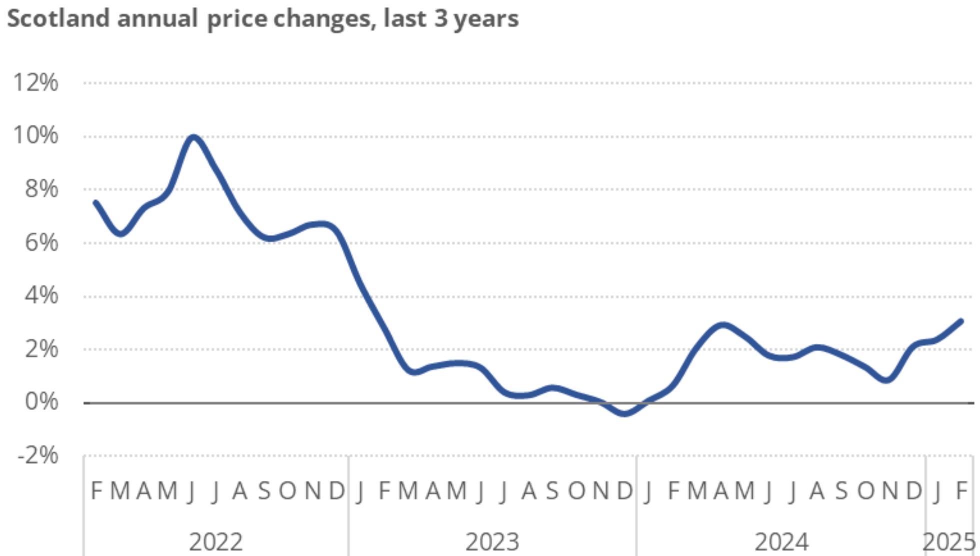
Housing market commentary

Table 1. Average prices in Scotland year to February 2025

Month	Year	Property Price	Index	Monthly % change	Annual % change
Feb	2024	£220,411	288.7	0.0	0.6
Mar	2024	£222,448	291.3	0.9	2.1
Apr	2024	£225,131	294.9	1.2	2.9
May	2024	£225,771	295.7	0.3	2.5
Jun	2024	£224,992	294.7	-0.3	1.8
Jul	2024	£224,700	294.3	-0.1	1.7
Aug	2024	£225,613	295.5	0.4	2.1
Sep	2024	£225,571	295.4	0.0	1.8
Oct	2024	£224,438	293.9	-0.5	1.3
Nov	2024	£223,256	292.4	-0.5	0.9
Dec	2024	£225,162	294.9	0.9	2.1
Jan	2025	£225,708	295.6	0.2	2.4
Feb	2025	£227,171	297.5	0.6	3.1

The growth in house prices has accelerated gently over recent months, and notably since November, with Scotland prices now firmly up on 2024 and setting a fresh record high.

Figure 1. Modest year-on-year price gains continue



Prices rose by nearly £1,500 (0.6%) in February. Average prices now stand above £227,000 for the first time and are 3.1% higher than a year ago (see Figure 1). Scotland has now been in positive growth territory for the past 14 months.

Local Authority prices

Table 2. How prices in February 2025 compare

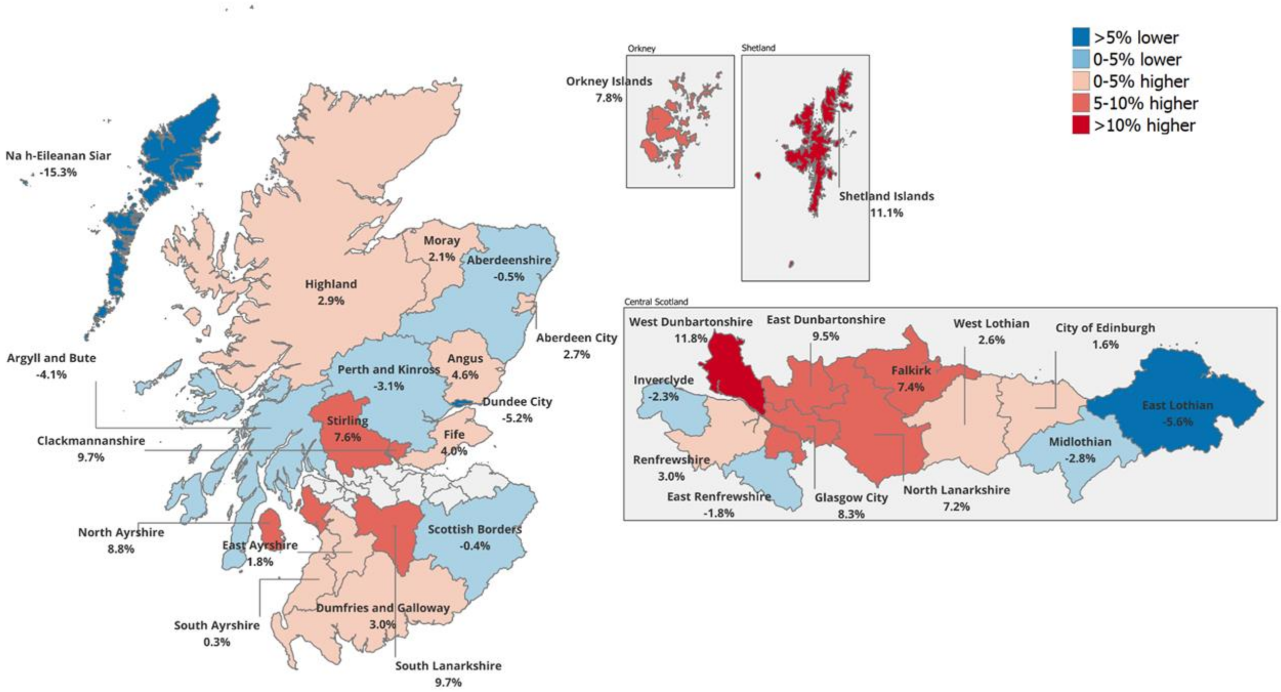
Rank	Prior Year Rank	Local authority	Feb 2024	Jan 2025	Feb 2025	Monthly % chg	Annual % chg
1	(1)	City Of Edinburgh	£330,953	£339,107	£336,109	-0.9%	1.6%
2	(4)	East Dunbartonshire	£301,370	£316,094	£329,926	4.4%	9.5%
3	(3)	East Renfrewshire	£321,366	£330,462	£315,672	-4.5%	-1.8%
4	(2)	East Lothian	£324,710	£301,188	£306,680	1.8%	-5.6%
5	(5)	Midlothian	£299,449	£285,470	£291,081	2.0%	-2.8%
6	(7)	Stirling	£251,171	£281,301	£270,168	-4.0%	7.6%
7	(6)	Perth and Kinross	£254,345	£245,660	£246,361	0.3%	-3.1%
8	(8)	West Lothian	£238,071	£237,450	£244,349	2.9%	2.6%
9	(9)	Highland	£228,466	£233,224	£235,001	0.8%	2.9%
10	(10)	Aberdeenshire	£227,601	£224,195	£226,572	1.1%	-0.5%
11	(11)	Scottish Borders	£227,000	£223,080	£226,204	1.4%	-0.4%
12	(14)	Glasgow City	£204,728	£217,008	£221,776	2.2%	8.3%
13	(13)	Moray	£215,258	£213,406	£219,869	3.0%	2.1%
14	(17)	Shetland Islands	£194,169	£199,889	£215,764	7.9%	11.1%
15	(12)	Argyll and Bute	£221,052	£205,597	£212,080	3.2%	-4.1%
16	(18)	South Lanarkshire	£191,924	£204,401	£210,516	3.0%	9.7%
17	(16)	Fife	£195,456	£200,080	£203,328	1.6%	4.0%
18	(20)	Falkirk	£188,140	£193,542	£201,982	4.4%	7.4%
19	(15)	South Ayrshire	£197,174	£199,823	£197,674	-1.1%	0.3%
20	(19)	Angus	£188,217	£199,446	£196,954	-1.2%	4.6%
21	(24)	Clackmannanshire	£179,155	£186,179	£196,621	5.6%	9.7%
22	(22)	Orkney Islands	£182,207	£213,890	£196,429	-8.2%	7.8%
23	(23)	Dumfries and Galloway	£182,186	£188,910	£187,708	-0.6%	3.0%
24	(21)	Aberdeen City	£182,662	£182,041	£187,595	3.1%	2.7%
25	(25)	Renfrewshire	£178,148	£193,342	£183,504	-5.1%	3.0%
26	(28)	North Lanarkshire	£165,617	£178,580	£177,469	-0.6%	7.2%
27	(30)	North Ayrshire	£151,611	£156,164	£164,884	5.6%	8.8%
28	(29)	East Ayrshire	£157,876	£159,878	£160,753	0.5%	1.8%
29	(32)	West Dunbartonshire	£143,277	£159,636	£160,242	0.4%	11.8%
30	(27)	Dundee City	£167,519	£164,565	£158,773	-3.5%	-5.2%
31	(26)	Na h-Eileanan Siar	£174,128	£162,972	£147,506	-9.5%	-15.3%
32	(31)	Inverclyde	£150,252	£154,989	£146,741	-5.3%	-2.3%
		Scotland	**£220,411**	**£225,708**	**£227,171**	**0.6%**	**3.1%**

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

Monthly prices advanced by 0.6% in February – the third back-to-back monthly increase. The number of local authorities recording higher prices in the **month** has more or less been double the number reporting price falls over the same period.

Eight local authorities reached new market highs in February (see Table 2). The majority of these are in mid- to lower-priced areas, with the exception of East Dunbartonshire, one of the most expensive areas, which has been powering ahead in recent months.

Figure 2. How prices have changed year to February 2025, by local authority



As can be seen from the heat map, a majority of local authorities (22) reported stronger prices **than a year ago**. This continues the pattern we have seen since early 2024. Seven authorities have reported annual price rises for the past 12 months in a row, as has Scotland as a whole.

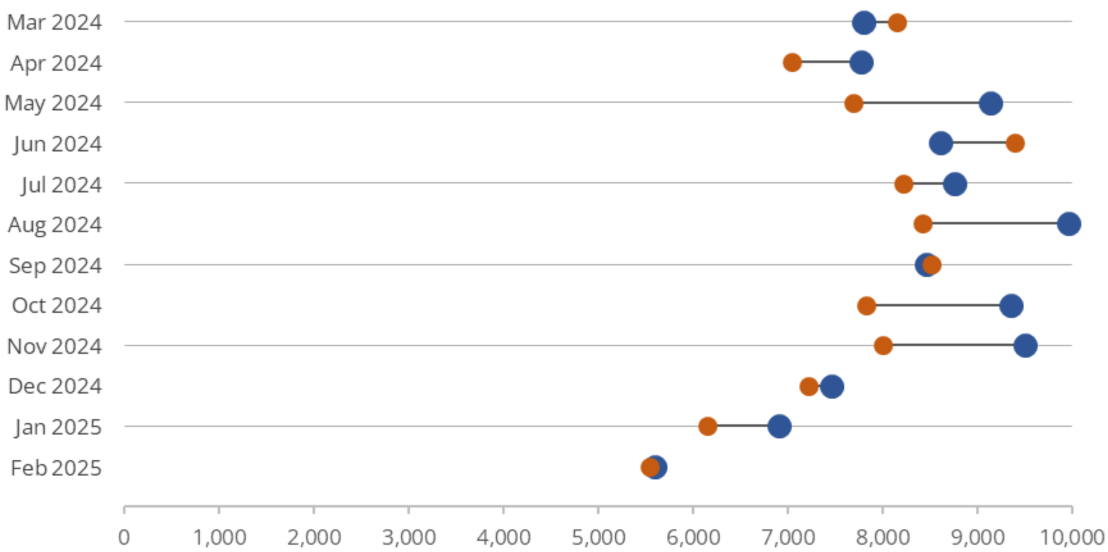
Among the “risers”, 11 reported price increases of at least 5% over the year. There were three significant “fallers”, including East Lothian and (at the other end of the price spectrum) Na h-Eileanan Siar, whose softer markets we have highlighted several times over the past year.

Transactions analysis

Given lags to reporting by Registers of Scotland, it is only now that we have near-final readings for the year 2024. Sales of 98,500 for the year as a whole were 7% higher than a year earlier and marked a turnround from the declining sales recorded through much of 2022 and 2023. Meanwhile, sales in the capital (11,300) and Scotland-wide sales of properties worth more than £750,000 that are subject to the highest rates of LBTT (nearly 1,200) were 15% ahead of their corresponding 2023 numbers and very much on a par with 2022 levels of activity.

We do not yet have the final numbers for January and February 2025, with property sales for the two months not yet fully logged by Registers of Scotland, but there are some early signs that the momentum behind recent sales growth may have started to abate. We estimate that there were about 6,900 and 5,600 sales in January and February respectively, about 12% and 1% higher than a year ago (see Figure 3). We will continue to monitor activity levels closely.

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



Note: Figures for latest two months are Acadata estimates

While recognising some data may be pointing towards negativity, equally there is also some positivity to be found in the RICS agent survey results. Their latest survey (at the time of writing this is February) paints a very positive forward view of the market. Over the three months to the end of May enquiries, instructions, sales and prices were all expected to rise.

Clearly there is a global and UK context behind all this where sudden change is possible in terms of confidence, interest rates and where these might bear down on this market. However it is not unreasonable to assume that governments across the UK will not want to see this recovery damaged and not least because of its wider economic impact. Thus our cautious optimism about the prospects for the Scottish market in 2025.

In passing we note a recent update on trends within the private rented sector in Scotland, focussed upon landlords. This work by CaCHE at the University of Glasgow suggests that unlike elsewhere in the UK, the market is becoming ever more dominated by small landlords.

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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