



Your Move / Acadata
Scotland



House Price Index June 2019

Under embargo until 00:01 Friday 23rd August 2019

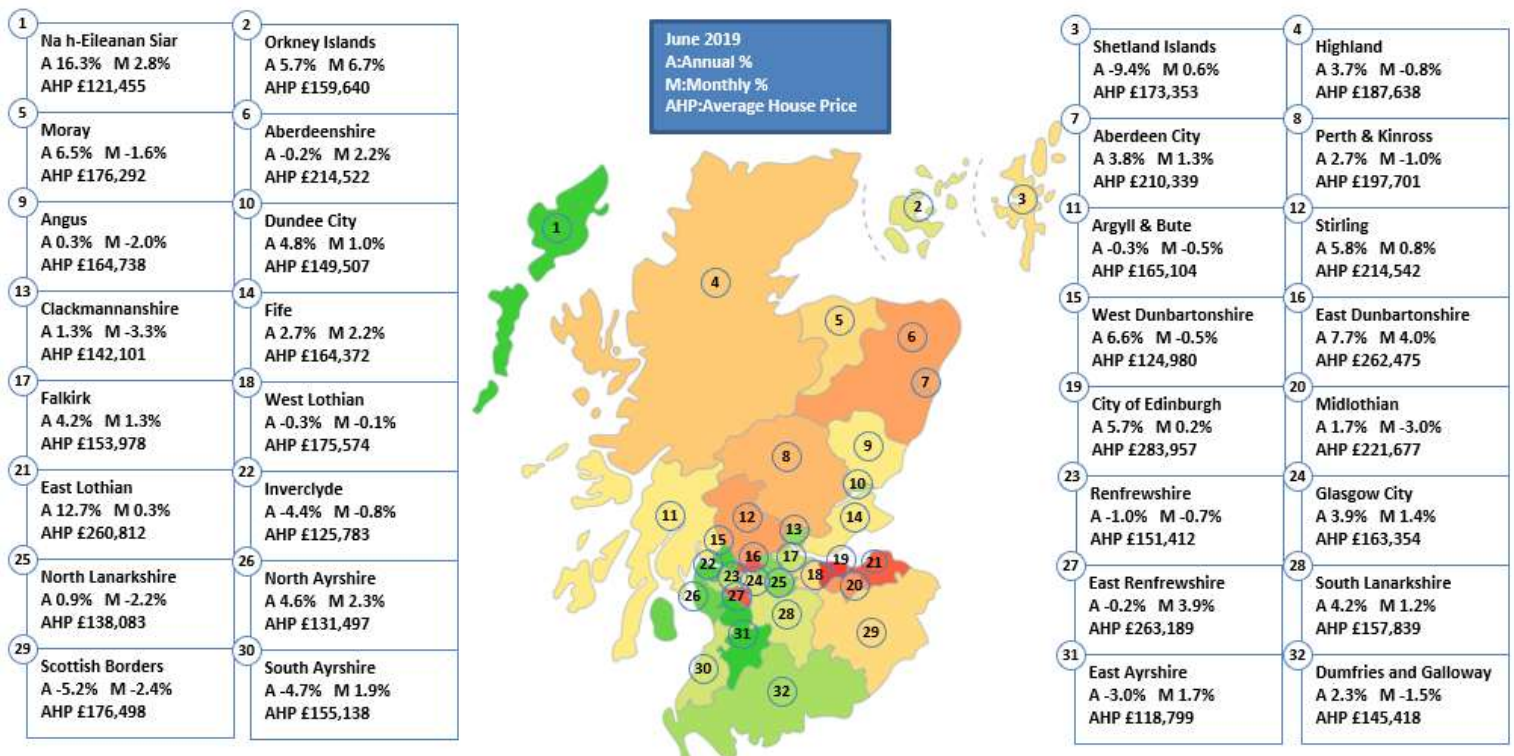
Scotland reaches a second peak average house price

- Aberdeen City is in top position in terms of weight-adjusted growth in 2019
- East Dunbartonshire has highest monthly growth on the mainland at 4.0%
- Transactions 4% higher in 2019 than 2018

House Price	Index	Monthly Change %	Annual Change %
£185,851	243.4	0.5	3.1

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House price index: historical data

Table 1. Average House Prices in Scotland for the period June 2018 – June 2019
(The prices are end-month smoothed over a 3 month period)

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
June	2018	£180,281	236.1	-0.4	4.1
July	2018	£179,876	235.6	-0.2	3.8
August	2018	£179,884	235.6	0.0	3.5
September	2018	£181,424	237.6	0.9	4.2
October	2018	£182,950	239.6	0.8	5.4
November	2018	£183,708	240.6	0.4	5.5
December	2018	£183,006	239.7	-0.4	4.1
January	2019	£182,613	239.2	-0.2	2.8
February	2019	£181,645	237.9	-0.5	0.3
March	2019	£182,731	239.3	0.6	0.4
April	2019	£183,844	240.8	0.6	0.8
May	2019	£184,955	242.2	0.6	2.2
June	2019	£185,851	243.4	0.5	3.1

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Further commentary by John Tindale

John Tindale, senior housing analyst for Acadata, comments:

The June housing market

For the second month running, Scotland has reached another new peak average house price, at £185,851. This is £2,143 higher than the 2018 peak of £183,708 in November of that year, and £2,500 higher than the March 2015 peak of £183,350.

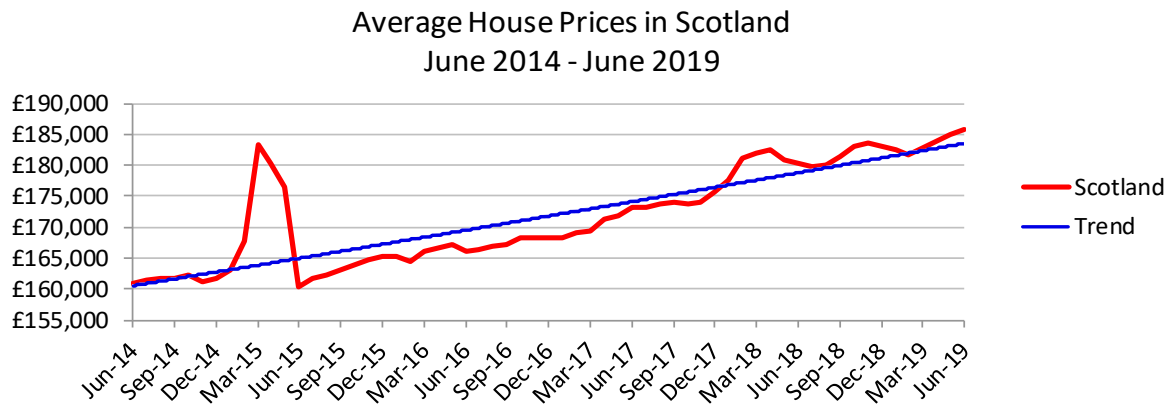


Figure 1, The average house price in Scotland for the five-year period June 2014 – June 2019. The series has been mix and seasonally adjusted (Source: LSL Acadata HPI) [link to source Excel](#)

Figure 1 shows a graph of the average house price in Scotland over the last five years. The two main features of the graph are firstly: the sudden rise in average house prices that took place in March 2015, one month ahead of the introduction of the then new stamp duty on house purchases, known as LBTT.

The second feature of the graph is that prices can be seen to have risen at a near constant rate from June 2015 onward, with a few minor oscillations since February 2018. We can note that prices in June 2019 are on the ‘up’, and are above the long-term trend of the last five years. We have calculated that the compound rate of growth in house prices over this five year period is 2.9% - ahead of the CPIH inflation index, which in June 2019 stood at 1.9%, indicating that house prices in Scotland are rising in ‘real’ terms.

House Prices in 2019 – The top 11 Authorities Year to Date

Having reached the half-way stage in the year, we thought it would be appropriate to look at the eleven Authorities that have seen the highest increase in prices in 2019 to the end of June. We have used the ‘weighted change’ in prices, which takes into account both the change in price and the number of transactions involved. It just so happens that the weighted increases of the top 11 Authorities exactly match the increase in Scotland’s average house price over the first six months of the year, meaning that the remaining 21 Authorities balance each other out in terms of the ups and downs of their own weight-adjusted price movements.

Table 2 **WEIGHTED CHANGE IN AVERAGE HOUSE PRICES IN SCOTLAND YTD - JUNE 2019** [link to source Excel](#)

RANK	LOCAL AUTHORITY AREA	Dec-18	Jun-19	Change in Price YTD	Weighted change	% of Total Change	Cumulative % change
1	Aberdeen City	196,063	210,339	14,276	552	19.4%	19.4%
2	Glasgow City	159,888	163,354	3,466	401	14.1%	33.5%
3	East Lothian	244,544	260,812	16,268	341	12.0%	45.5%
4	Fife	159,297	164,372	5,075	339	11.9%	57.4%
5	City of Edinburgh	282,259	283,957	1,698	201	7.1%	64.5%
6	East Dunbartonshire	252,137	262,475	10,338	197	6.9%	71.4%
7	Dundee City	142,214	149,507	7,293	185	6.5%	77.9%
8	North Ayrshire	123,541	131,497	7,956	184	6.5%	84.4%
9	Stirling	204,989	214,542	9,553	164	5.8%	90.2%
10	Highland	184,136	187,638	3,502	156	5.5%	95.7%
11	Inverclyde	115,728	125,783	10,055	125	4.3%	100.0%
	ALL SCOTLAND	183,006	185,851	2,845	2,845		

House prices and transactions

Table 2 shows that Aberdeen City has accounted for nearly 20% of the rise in Scotland’s average house price since the start of the year - the highest increase of any Local Authority area. In Aberdeen, all property types - with the exception of flats - have seen a climb in their average prices over the last six months. The highest rise occurred in terraced properties, the most frequently purchased property type in the city, with an increase from £188k in December 2018, to £218k in June 2019. [Back to page 1](#)

Transactions analysis

In March 2019, the latest month for which the official ONS statistics are published, transactions in Scotland totalled 8,255 properties. This was a 52% increase on the previous month, against a seasonal rise of 49% (based on the last seven years data, excluding 2016), so sales volumes were 3% above that which would be normally expected for the time of year. The March 2019 total was also 3% higher than that of the previous year, with the Q1 total for 2019 being 4% up on Q1 2018. Sales volumes are therefore moving marginally upwards on the 2018 totals – at least at the start of the year.

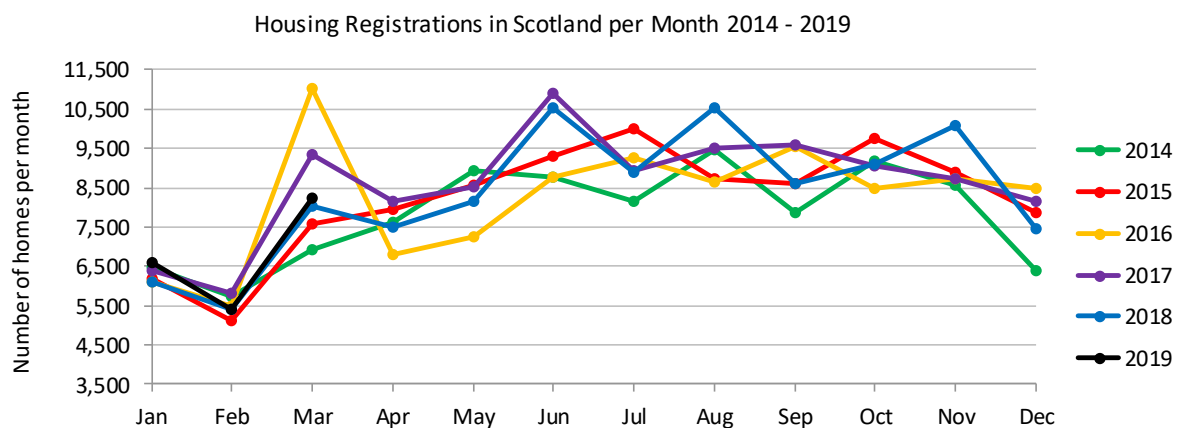


Figure 2. The number of sales per month recorded by Registers of Scotland based on entry date, for the period 2014 - 2019
Source: Registers of Scotland.

[link to source Excel](#)

Edinburgh transactions of £750k or higher

Table 3. The number of transactions by month in Edinburgh greater than or equal to £750k, Jan 2016 – June 2019

[link to source Excel](#)

EDINBURGH - Number of properties sold for £750k or higher													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2016	11	12	25	20	12	28	19	25	27	31	15	13	238
2017	6	6	13	15	16	20	35	43	24	22	22	23	245
2018	18	33	16	11	12	23	27	37	44	35	33	20	309
2019	24	12	23	20	38	19							136

Table 3 shows the number of transactions per month in Edinburgh that 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. As can be seen from Table 3, the number of such sales in 2019 has exceeded that of 2018 in four of the first six months of the year. We anticipate that the June 2019 total will increase as further data from the Registers of Scotland become available. This will then leave February 2019 as the one month with a total less than in 2018. However, February 2018 was something of an exception, with 9 new-build properties in the same development in Morningside, Edinburgh - all priced above £750k - coming onto the market in that month.

Edinburgh is therefore seeing an increase in the purchase of its top-valued properties. In part, this is due to home-owners moving away from London and its suburbs to more ‘affordable’ areas in the UK such as Edinburgh. In addition, the Sterling exchange rate has currently been falling, which makes owning a property in the UK more attractive to foreign buyers.

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House prices and transactions

Table 4. Average House Prices in Scotland, by local authority area, comparing June 2018 and May 2019 with June 2019 [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LOCAL AUTHORITY AREA	Jun-18	May-19	Jun-19	% Monthly Change	% Annual Change
1	1	City of Edinburgh	268,757	283,455	283,957	0.2%	5.7%
2	2	East Renfrewshire	263,648	253,218	263,189	3.9%	-0.2%
3	3	East Dunbartonshire	243,636	252,291	262,475	4.0%	7.7%
4	4	East Lothian	231,344	259,969	260,812	0.3%	12.7%
5	5	Midlothian	217,970	228,454	221,677	-3.0%	1.7%
7	6	Stirling	202,708	212,832	214,542	0.8%	5.8%
6	7	Aberdeenshire	214,886	209,930	214,522	2.2%	-0.2%
8	8	Aberdeen City	202,661	207,682	210,339	1.3%	3.8%
9	9	Perth and Kinross	192,547	199,667	197,701	-1.0%	2.7%
12	10	Highland	180,885	189,167	187,638	-0.8%	3.7%
11	11	Scottish Borders	186,268	180,833	176,498	-2.4%	-5.2%
15	12	Moray	165,547	179,167	176,292	-1.6%	6.5%
13	13	West Lothian	176,015	175,683	175,574	-0.1%	-0.3%
10	14	Shetland Islands	191,287	172,234	173,353	0.6%	-9.4%
14	15	Argyll and Bute	165,649	166,010	165,104	-0.5%	-0.3%
16	16	Angus	164,278	168,040	164,738	-2.0%	0.3%
18	17	Fife	160,080	160,836	164,372	2.2%	2.7%
19	18	Glasgow City	157,198	161,020	163,354	1.4%	3.9%
22	19	Orkney Islands	150,967	149,660	159,640	6.7%	5.7%
21	20	South Lanarkshire	151,465	156,018	157,839	1.2%	4.2%
17	21	South Ayrshire	162,709	152,262	155,138	1.9%	-4.7%
23	22	Falkirk	147,832	151,942	153,978	1.3%	4.2%
20	23	Renfrewshire	152,917	152,516	151,412	-0.7%	-1.0%
24	24	Dundee City	142,686	148,023	149,507	1.0%	4.8%
25	25	Dumfries and Galloway	142,098	147,657	145,418	-1.5%	2.3%
26	26	Clackmannanshire	140,231	146,958	142,101	-3.3%	1.3%
27	27	North Lanarkshire	136,826	141,256	138,083	-2.2%	0.9%
29	28	North Ayrshire	125,658	128,596	131,497	2.3%	4.6%
28	29	Inverclyde	131,614	126,860	125,783	-0.8%	-4.4%
31	30	West Dunbartonshire	117,201	125,558	124,980	-0.5%	6.6%
32	31	Na h-Eileanan Siar	104,421	118,162	121,455	2.8%	16.3%
30	32	East Ayrshire	122,526	116,862	118,799	1.7%	-3.0%
		All Scotland	180,281	184,955	185,851	0.5%	3.1%

Table 4 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for June 2018, as well as for May and June 2019, calculated on a seasonal and mix-adjusted basis.

Monthly change

In June 2019, Scotland's average house price has risen by some £900, or 0.5%, in the month. This positive change in prices is higher than eight of the nine regions in England, as well as in Wales – the one region having a higher rate of house price change in June was Greater London, where there were some very high-value property sales, taking the growth in London's prices up by 1.1%. The average price of a home in Scotland, at £185,851, has reached another new peak – for the second month in a row. Overall, 18 of the 32 local authority areas in Scotland saw prices rise in June, which is three less than the number with price rises in May.

Looking at Table 4 above, we can see that the Authority with the highest monthly price growth is the Orkney Islands, at 6.7%. However, the Orkney Islands have a low monthly transaction count, with to date only 18 sales recorded in June, so average prices tend to be volatile, especially when expressed in percentage terms. On the mainland, the Authority with the highest monthly price growth is East Dunbartonshire, up by £10,184, or 4.0%, in June. The June statistics for East Dunbartonshire include the sales of the highest-priced detached home in 2019, located in Bearsden, for £1.475 million, the highest-priced flat of 2019, located in Bardowie, for £1.43 million and the highest-priced terrace of 2019, located near Strathblane, for £873k.

On a weight-adjusted basis - which takes into account both the change in price and the number of sales - Glasgow accounted for 16% of the increase in Scotland's average house price in the month, with the average price of a flat, the most frequently purchased property type in the city, rising from £136k in May to £140k in June.

Notes

NOTES

1. Your Move Acadata Scotland HPI 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 Your Move Acadata Scotland HPI is not forecast, unlike the LSL Acadata E&W HPI, but is based on achieved prices. The first release of the Scotland results lag the first release of those for England & Wales by one month, as the former index does not use estimates of market prices.
3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI 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 LSL Acadata E&W HPI. Since we provide only a national England & Wales average price in our current month LSL Acadata E&W HPI and prices at region and lower levels are lagged one month, this procedure means that the Your Move Acadata Scotland HPI prices are contemporaneous with the prices published for the equivalent month for England & Wales and the regions. All Your Move Acadata Scotland HPI 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. Your Move Acadata Scotland HPI 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

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Average House Price

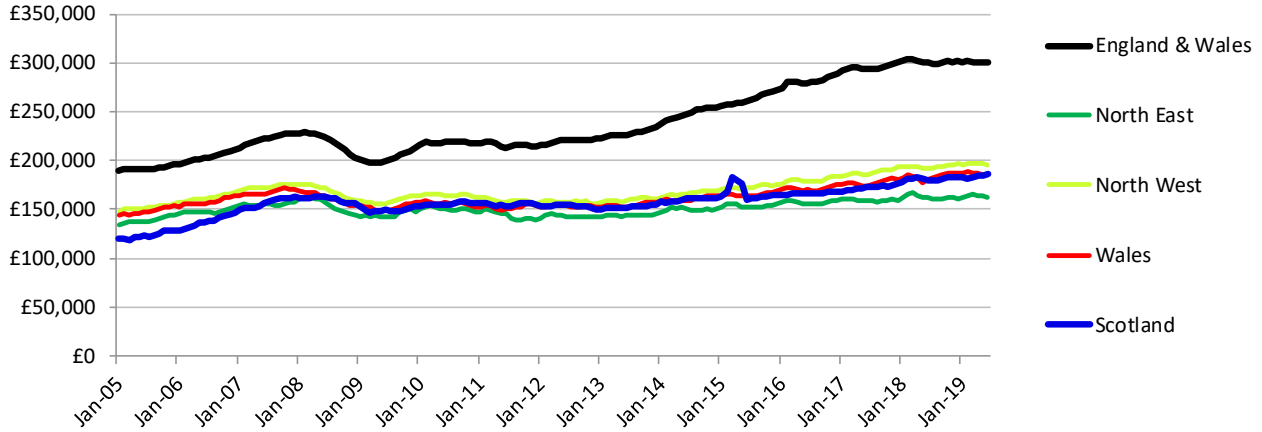


Figure 3. Scotland house prices, compared with England & Wales, Wales, North East and North West for the period January 2005-June 2019

[link to source Excel](#)

Annual % change in Average House Prices

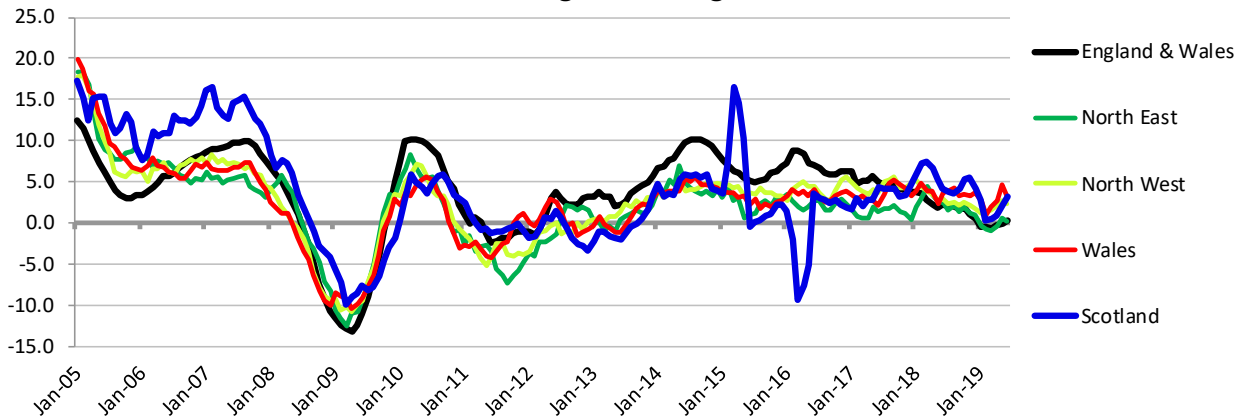


Figure 4. A comparison of the annual change in house prices in Scotland, England & Wales, Wales, North East and North West for the period January 2005-June 2019

[link to source Excel](#)

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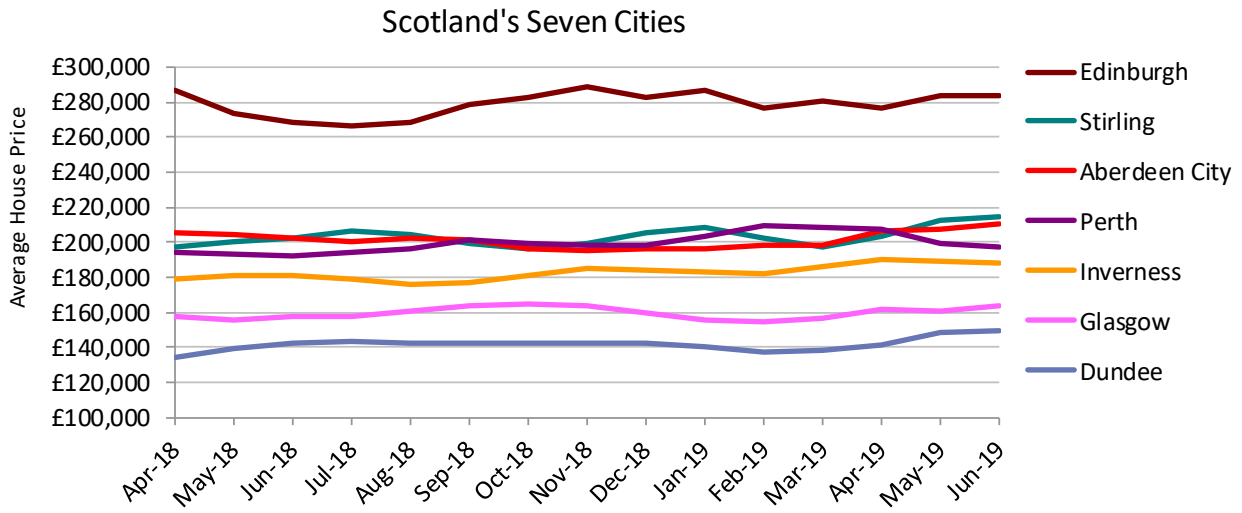


Figure 5. Average house prices for Scotland's seven cities from April 2018–June 2019

[link to source Excel](#)

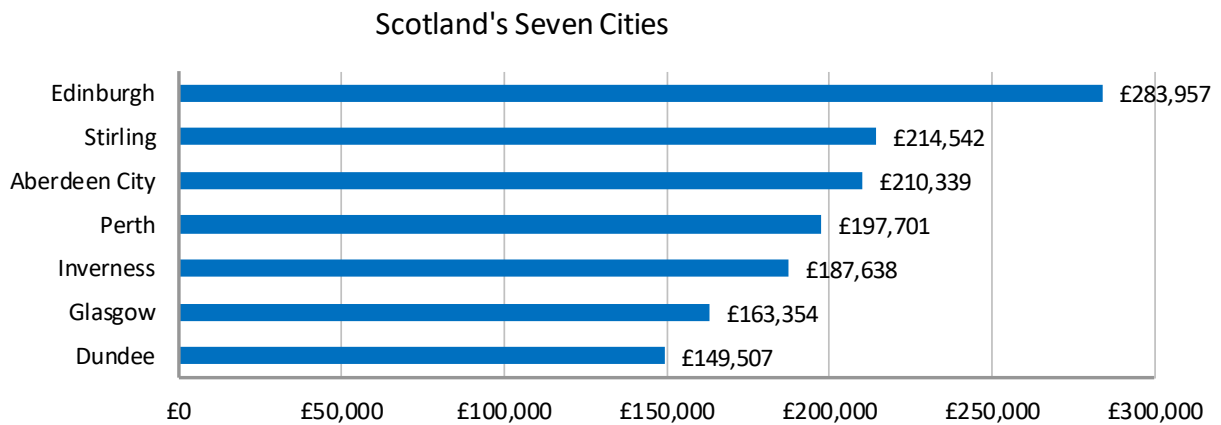


Figure 6. Average house prices for Scotland's seven cities June 2019

[link to source Excel](#)

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1. Your Move Acadata Scotland HPI is derived from Registers of Scotland (RoS) house price data, seasonally and mix adjusted by property type. © Crown copyright material reproduced with the permission of Registers of Scotland. The prices are smoothed to show underlying trends. Your Move Acadata Scotland HPI includes cash purchase prices and is based upon the complete, factual house price data for Scotland, as opposed to a sample.

2. Most indices employ data available to the provider as a result of its business; index methodologies are designed to exploit the advantages and overcome the disadvantages of each particular dataset; an asking price or an offer price series is not the same as a price series, such as Your Move Acadata Scotland HPI or ONS UK HPI; these can be prepared only when the prices at which properties have been transacted have been recorded at RoS (Your Move Acadata Scotland HPI) or when firm prices at mortgage completion have been made available by lenders (ONS HPI); asking or offer valuation series can be prepared whenever the data are available to the provider; publicity accrues to those indices which are released first; indices published at or before month end are likely to employ data for the current and prior months.

3. Whilst the Your Move Acadata Scotland HPI, like the LSL Acadata E&W HPI, comprises a smoothed average of three months' prices, the Your Move Acadata Scotland HPI average reflects prices at the month of the index and those for the prior two months and is ascribed to the month of the index i.e. the prices are "end month smoothed" (ems) and not "centre month smoothed" (cms) as applicable to the LSL Acadata E&W HPI. Please note that:

- we provide only a current month average price for England & Wales as a whole in our LSL Acadata E&W HPI, and that prices at region and lower levels are lagged one month
- RoS monthly data comprises some 98% of the transactions for the current month and c.99% for the prior month

Hence, a smoothed average price using three months data ascribed to the index month (ems) for Your Move Acadata Scotland HPI provides the equivalent price, to all intents and purposes, to the centre month smoothed (cms) price at region/county level, lagged by one month, as provided by the LSL Acadata E&W HPI. An ems procedure allows the Scotland prices to be placed alongside the contemporaneous prices for E&W as a whole and for Wales as a whole, and those for the E & W regions for comparison purposes.

4. LSL Acadata E&W HPI provides prices from January 2005. RoS national data were available only from January 2001 and the constituents of RoS data changed between then and April 2003, showing a significant step change in prices between March and April. ONS HPI quarterly data were used to construct Your Move Acadata Scotland HPI from January 2000 to April 2001 with straight line interpolations used to construct prices by month. Data for 11 local authorities were unavailable for the period January 2001 to April 2003 and were constructed by back-casting. The underlying data by property type, for months when no sales of a particular property type in a particular area were reported, were in-filled using the same procedure used in LSL Acadata E&W and, by Eurostat, in preparing seasonal data.

5. Note that Your Move Acadata Scotland HPI is unable to identify different prices according to e.g. numbers of bedrooms; the lender hedonic indices and the ONS UK HPI do so. RoS data, and hence Your Move Acadata Scotland HPI, exclude commercial and thus auction sales, and do not reflect repossession prices on the grounds that such prices do not reflect those between a willing buyer and a willing seller.

6. Your Move Acadata Scotland HPI is prepared from RoS data using a methodology designed to provide a "true measure of house price inflation"; Acadata does not guarantee the accuracy of the Your Move Acadata Scotland HPI results and neither LSL nor Acadata shall be liable for any loss or damage, whatsoever, consequential upon any error, incorrect description of or inadequacy in the data; persons using the data do so entirely at their own risk; Your Move Acadata Scotland HPI is freely provided for publication with due attribution to Acadata. Permission is required for any commercial use of the data.

7. The monthly, smoothed, average RoS prices at local authority level provided at property type, which underlie Your Move Acadata Scotland HPI, together with historic data, can be purchased from Acadata.

8. LSL Acadata E&W HPI was published under the name FTHPI from September 2003 until December 2009. Until the October 2013 LSL Acadata E&W HPI was published, it was prepared by Acadametrics as was the Your Move Acadata Scotland HPI. Acadametrics then changed its name to Acadata to reflect its new focus entirely upon house price indices and data following its agreement to sell its 50% holding in MIAC Acadametrics to MIAC Analytics over a 4 year period.

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Note to editors

LSL PROPERTY SERVICES PLC

LSL is one of the leading residential property services companies in the UK and provides a broad range of services to a wide range of customers including mortgage lenders together with buyers and sellers of residential properties.

LSL's operations cover four key areas; surveying; estate agency; corporate services; financial services.

Surveying

LSL's [surveying](#) business operates under the e.surv Chartered Surveyors brand, and the Walker Fraser Steele brand in Scotland. e.surv is one of the largest employers of residential Chartered Surveyors in the UK and is the largest distributor and manager of mortgage valuations and private surveys.

Estate Agency

LSL's [estate agency](#) business operates under the Your Move, Reeds Rains, Intercounty and several independent brands.

In January 2010 the acquisition of the Halifax Estate Agency (HEA) business from Lloyd Banking Group saw LSL increase in size to become the second largest UK estate agency network - with around 570 branches. It is also the largest letting agency in the UK.

Corporate Services

LSL Corporate Client Services was launched in 2008 to provide asset management and lettings property portfolio management services to corporate clients. This business has grown through the addition of St Trinity Asset Management - which previously operated as HEA Corporate Services - and Templeton LPA, which LSL acquired in February 2010.

Financial Services

LSL offers financial services across its entire branch network. In May 2010 LSL acquired over 450 advisers from leading financial services network Home of Choice - these advisers now operate under the brand of First Complete.

In October 2010 LSL also announced the acquisition of mortgage distribution company, Advance Mortgage Funding Limited (trading as Pink Home Loans) and its subsidiary business BDS Mortgage Group Limited, (together known as Pink), from Skipton Building Society. It further confirmed LSL's position as one of the largest mortgage advisory businesses in the UK today.

For further information see www.lslps.co.uk