



Your Move / Acadata
Scotland

House Price Index September 2019



Under embargo until 00:01 Friday 22nd November 2019

Scotland reaches another new peak price in September

- Falkirk's annual rate of house price growth climbs to 9.2% on the back of new-build sales
- Edinburgh & Glasgow account for 37% of Scotland's price increases over last two years
- Scotland's housing transactions in first half of 2019 up 2.6% on 2018

House Price	Index	Monthly Change %	Annual Change %
£185,576	243.0	0.7	2.3

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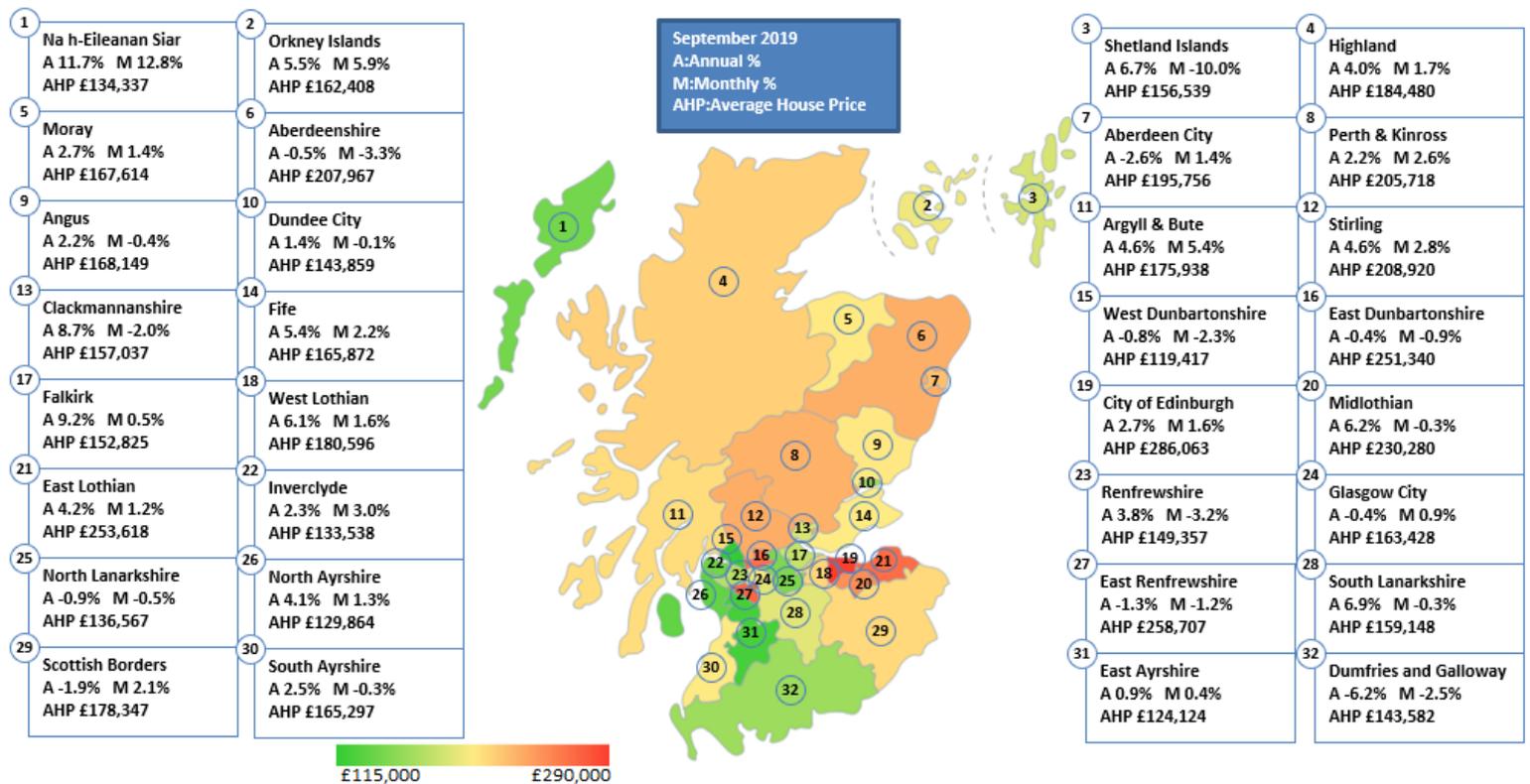


Table 1. Average House Prices in Scotland for the period September 2018 – September 2019
(The prices are end-month smoothed over a 3 month period)

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
September	2018	£181,436	237.6	0.9	4.2
October	2018	£182,956	239.6	0.8	5.3
November	2018	£183,702	240.6	0.4	5.5
December	2018	£182,976	239.6	-0.4	4.1
January	2019	£182,583	239.1	-0.2	2.8
February	2019	£181,577	237.8	-0.6	0.2
March	2019	£182,662	239.2	0.6	0.4
April	2019	£183,734	240.6	0.6	0.7
May	2019	£184,694	241.9	0.5	2.1
June	2019	£185,266	242.6	0.3	2.8
July	2019	£184,920	242.2	-0.2	2.8
August	2019	£184,374	241.5	-0.3	2.5
September	2019	£185,576	243.0	0.7	2.3

Press Contacts:

Melanie Cowell, LSL Property Services
Richard Sumner, Acadata

01904 698860
020 8392 9082

melanie.cowell@lsps.co.uk
richard.sumner@acadata.co.uk

Further commentary by John Tindale

John Tindale, senior housing analyst for Acadata, comments:

The September housing market

The average house price in Scotland in September has risen by some £1,200, or +0.7%, and now stands at £185,576. This sets a new peak average price for Scotland as a whole – and is the fourth occasion that this has happened in this calendar year, as prices continue to climb, albeit slowly.

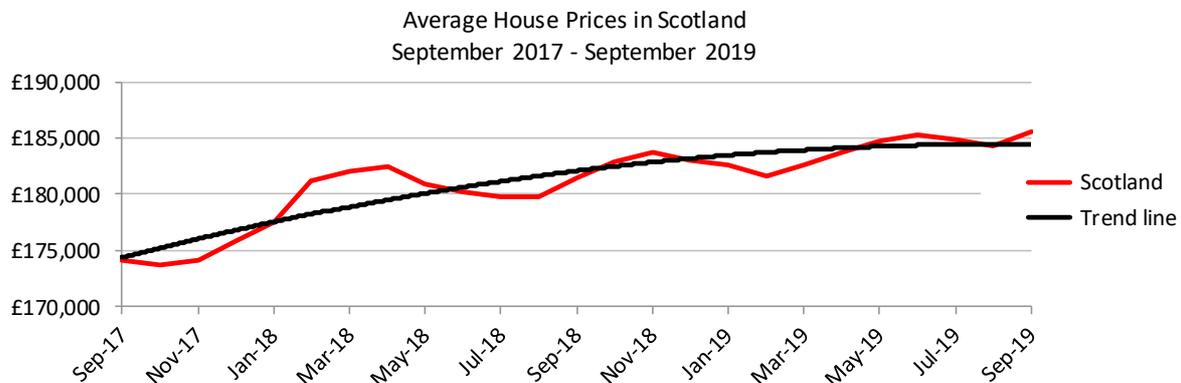


Figure 1, The average house price in Scotland for the two-year period September 2017 – September 2019. The series has been mix and seasonally adjusted (Source: LSL Acadata HPI) [link to source Excel](#)

Figure 1 shows a graph of the average house price in Scotland over the last two years. Prices have risen over this twenty-four-month period from £174,133 in September 2017 to £185,576, an increase of £11,443, or 6.6%. As can be seen from the graph, the rate of house price growth was higher during the first twelve months of the period, at 4.2%, with a lower rate of 2.3% over the last twelve months. The trend line covering the last three months appears to be almost flat.

Weighted change in average prices over the last two years

Looking at the weighted change in prices, which takes into account both the number of homes sold and the change in average price over the last two years, the top-ten local authority areas are set out in Table 2 below, along with the five areas having a negative movement in prices over this period:-

Table 2. Weighted change in Average House Prices in Scotland for the period September 2017 – September 2019

RANK BY PRICE CHANGE	LOCAL AUTHORITY AREA	Sep-17	Sep-19	Change in Price	Weighted change in Price	% of Total Change
1	City of Edinburgh	261,799	286,063	24,264	2,878	25.2%
2	Glasgow City	151,742	163,428	11,686	1,351	11.8%
3	Fife	154,528	165,872	11,345	759	6.6%
4	West Lothian	161,239	180,596	19,357	603	5.3%
5	Highland	171,070	184,480	13,410	598	5.2%
6	North Lanarkshire	125,859	136,567	10,708	585	5.1%
7	South Lanarkshire	150,240	159,148	8,909	565	4.9%
8	Midlothian	202,203	230,280	28,077	510	4.5%
9	Falkirk	136,091	152,825	16,733	493	4.3%
10	Argyll and Bute	153,663	175,938	22,275	394	3.4%
					8,736	76.3%
28	Shetland Islands	158,017	156,539	-1,478	-4	0.0%
29	Aberdeenshire	208,105	207,967	-138	-6	0.0%
30	East Ayrshire	126,559	124,124	-2,435	-51	-0.4%
31	Scottish Borders	187,816	178,347	-9,469	-199	-1.7%
32	Aberdeen City	201,022	195,756	-5,266	-204	-1.8%
					-464	-4.1%
	All Scotland	174,133	185,576	11,442	11,442	100.0%

House prices and transactions

Table 2 shows the dominant position of both Edinburgh and Glasgow in determining the average house price in Scotland, accounting for some 37% of the change in the average price over the last two years. Midlothian saw the highest absolute change in prices over the last two years, with average prices for the area up by some £28k – however, the number of properties sold in Midlothian is typically only 15% of that seen in Edinburgh per month. The top ten authorities listed in Table 2 above account for some 76% of the increase in the average price, as well as some 55% of transactions over the period.

At the other end of the scale there are five authorities that have seen their weighted average prices fall over the last two years. The largest reduction in house prices occurred in Aberdeen City, which is still being affected by the fall in oil prices and consequent reduction in employment of the last four years. The peak price seen in Aberdeen City was reached in March 2015. [Back to page 1](#)

Transactions analysis

Monthly transaction counts

In June 2019, the latest month for which the official ONS statistics are published, transactions in Scotland totalled 9,020 properties. This was a 6% decrease on the previous month, against a seasonal increase of 10% (based on the last seven years data, excluding 2016), so sales volumes were 16% down on the level which would normally be expected for the time of year. However, given that May transactions were 8% above the seasonal norm, the two months together suggest that sales volumes are 8% lower than expected. Nevertheless, looking at the first six months of 2019, total transactions amounted to 46,943 sales, 2.6% above the first half of 2018.

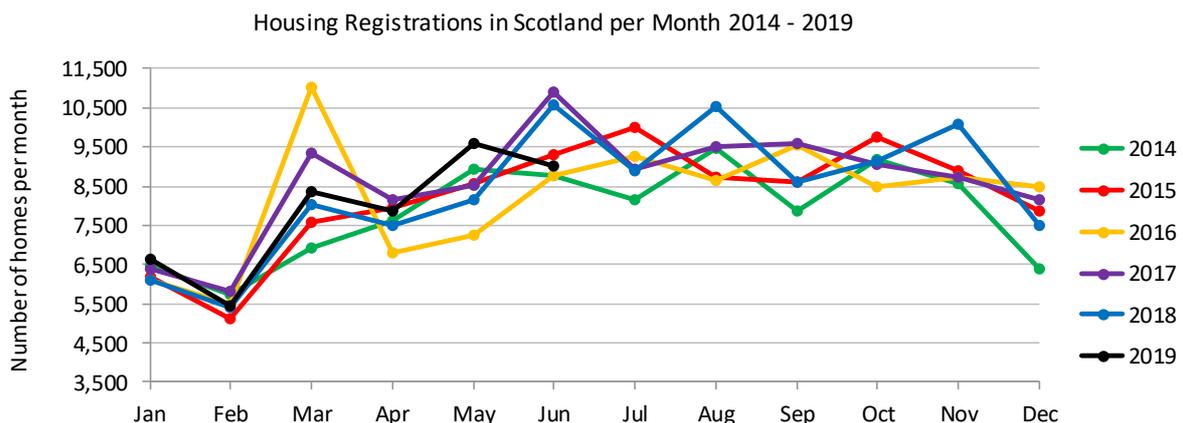


Figure 2. The number of sales per month recorded by Registers of Scotland based on entry date, for the period 2014 - 2019
Source: Registers of Scotland. [link to source Excel](#)

Edinburgh transactions of £750k or higher

Table 3. The number of transactions by month in Edinburgh greater than or equal to £750k, Jan 2016 – September 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	32	37	32	24				242

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 2, the number of such sales in 2019 has exceeded that of 2018 in six of the first nine months of the year. We anticipate that the September 2019 total will increase as further data from the Registers of Scotland become available, but not by the requisite amount to allow September 2019 to out-perform the previous year. This will mean that there has been a slow-down in the purchase of top-value properties in Q3 2019, compared to Q3 2018, although we will need to wait a further month to obtain an accurate assessment of the number of transactions involved. [Back to page 1](#)

House prices and transactions

Local Authority Analysis

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

PRIOR YR RANK	RANK BY PRICE	LOCAL AUTHORITY AREA	Sep-18	Aug-19	Sep-19	% Monthly Change	% Annual Change
1	1	City of Edinburgh	278,569	281,513	286,063	1.6%	2.7%
2	2	East Renfrewshire	262,042	261,768	258,707	-1.2%	-1.3%
4	3	East Lothian	243,368	250,657	253,618	1.2%	4.2%
3	4	East Dunbartonshire	252,472	253,568	251,340	-0.9%	-0.4%
5	5	Midlothian	216,751	231,061	230,280	-0.3%	6.2%
9	6	Stirling	199,729	203,178	208,920	2.8%	4.6%
6	7	Aberdeenshire	208,936	215,171	207,967	-3.3%	-0.5%
7	8	Perth and Kinross	201,305	200,411	205,718	2.6%	2.2%
8	9	Aberdeen City	200,941	193,015	195,756	1.4%	-2.6%
11	10	Highland	177,412	181,393	184,480	1.7%	4.0%
12	11	West Lothian	170,173	177,690	180,596	1.6%	6.1%
10	12	Scottish Borders	181,787	174,616	178,347	2.1%	-1.9%
13	13	Argyll and Bute	168,187	166,848	175,938	5.4%	4.6%
14	14	Angus	164,471	168,855	168,149	-0.4%	2.2%
16	15	Moray	163,167	165,290	167,614	1.4%	2.7%
18	16	Fife	157,409	162,369	165,872	2.2%	5.4%
17	17	South Ayrshire	161,328	165,813	165,297	-0.3%	2.5%
15	18	Glasgow City	164,051	161,935	163,428	0.9%	-0.4%
19	19	Orkney Islands	153,936	153,331	162,408	5.9%	5.5%
21	20	South Lanarkshire	148,895.1	159,662	159,148	-0.3%	6.9%
23	21	Clackmannanshire	144,446	160,175	157,037	-2.0%	8.7%
22	22	Shetland Islands	146,774	173,922	156,539	-10.0%	6.7%
26	23	Falkirk	139,967	152,049	152,825	0.5%	9.2%
24	24	Renfrewshire	143,934	154,226	149,357	-3.2%	3.8%
25	25	Dundee City	141,936	144,052	143,859	-0.1%	1.4%
20	26	Dumfries and Galloway	153,013	147,261	143,582	-2.5%	-6.2%
27	27	North Lanarkshire	137,813	137,289	136,567	-0.5%	-0.9%
32	28	Na h-Eileanan Siar	120,226	119,063	134,337	12.8%	11.7%
28	29	Inverclyde	130,559	129,604	133,538	3.0%	2.3%
29	30	North Ayrshire	124,794	128,162	129,864	1.3%	4.1%
30	31	East Ayrshire	123,021	123,594	124,124	0.4%	0.9%
31	32	West Dunbartonshire	120,394	122,270	119,417	-2.3%	-0.8%
		All Scotland	181,436	184,374	185,576	0.7%	2.3%

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

Monthly change

After two months of consecutive falls, average house prices in Scotland have risen in September 2019 by some £1,200, or 0.7% and now stand at £185,576 – a new record level for Scotland. The 0.7% rise in average prices is the largest increase in a single month since October 2018. Overall, 18 of the 32 local authority areas in Scotland saw prices rise in September, which is three greater than the number with price rises in August.

Looking at Table 4 above, we can see that the Authority with the highest monthly price growth is Na h-Eileanan Siar, at 12.8%. However, in September Na h-Eileanan Siar had the second-lowest transaction count of all the local authority areas in Scotland, with just 16 sales in the month recorded to date: this tends to result in volatile movements in average house prices, especially when expressed in percentage terms. For interest, the area with the lowest volume of sales in September, with just 15 transactions, was the Orkney Islands.

On the mainland, the Authority with the highest monthly growth in prices in September was Argyll and Bute, where house prices rose by 5.4%. Sales for September included Argyll and Bute's second most expensive semi-detached home of the year, located in Rhu, Helensburgh, for £630k. This was in addition to the most expensive flat sold in the area this year, for £500k, also located in Helensburgh, overlooking the Clyde.

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

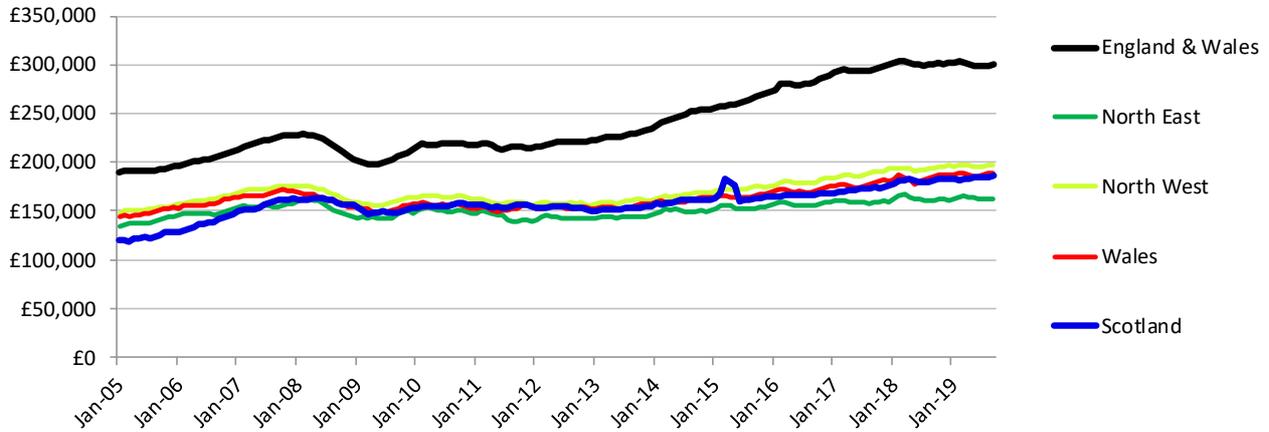


Figure 3. Scotland house prices, compared with England & Wales, Wales, North East and North West for the period January 2005-September 2019 [link to source Excel](#)

Annual % change in Average House Prices

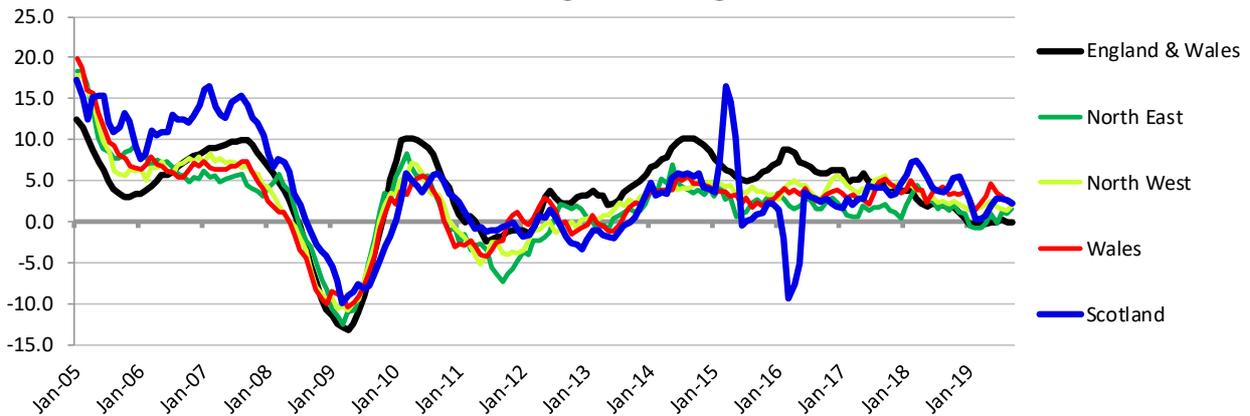


Figure 4. A comparison of the annual change in house prices in Scotland, England & Wales, Wales, North East and North West for the period January 2005-September 2019 [link to source Excel](#)

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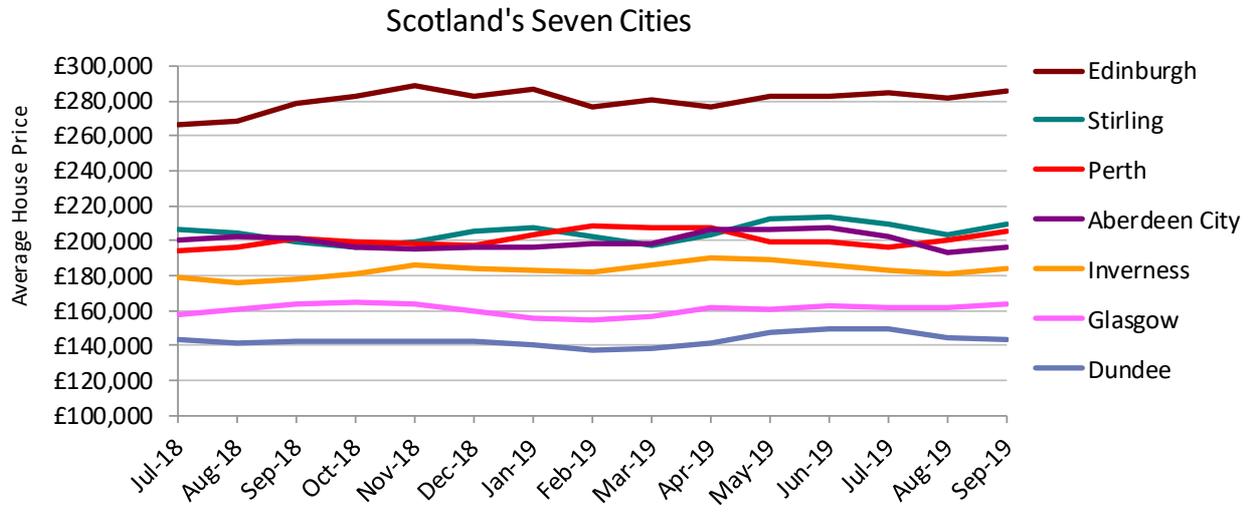


Figure 5. Average house prices for Scotland's seven cities from July 2018–September 2019

[link to source Excel](#)

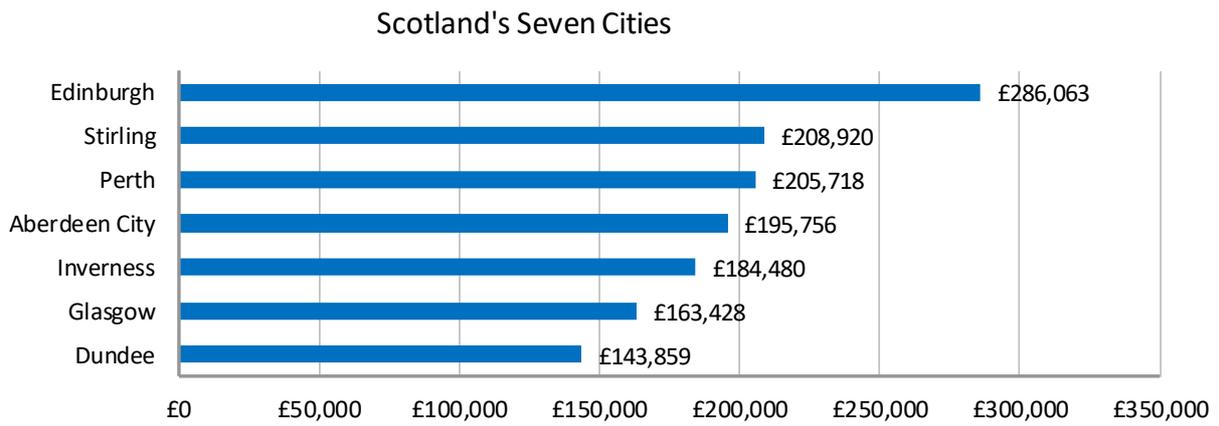


Figure 6. Average house prices for Scotland's seven cities September 2019

[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.

information@acadata.co.uk

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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