



An Official Statistics publication for Scotland

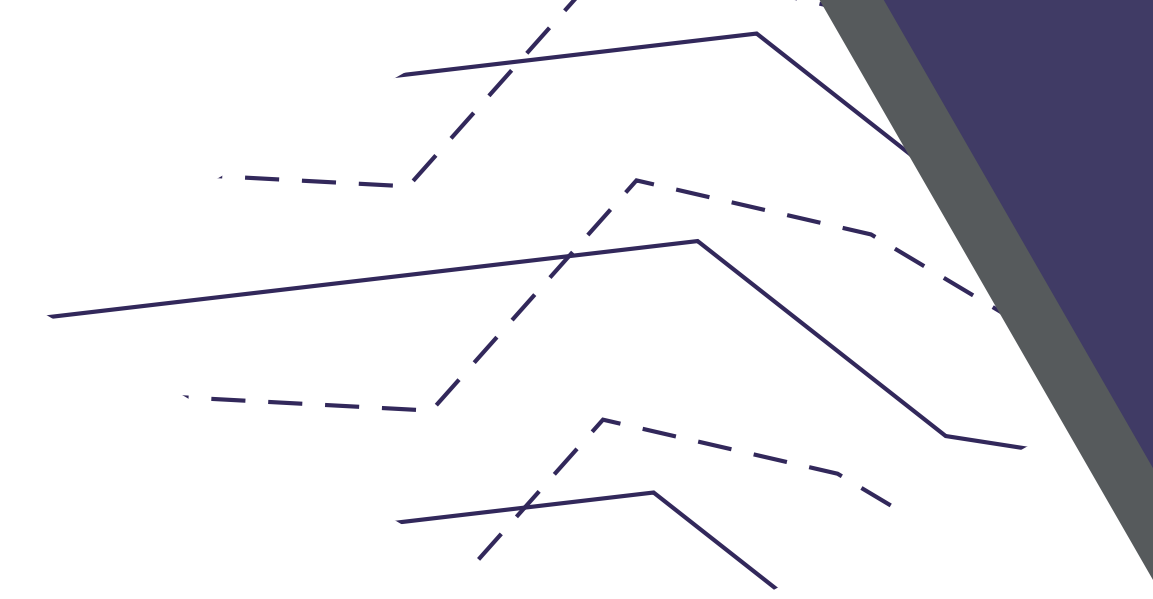
Property Market Report 2018-19

A long-term statistical review of the
Scottish property market



11 June 2019

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Keeper's introduction



Jennifer Henderson
Keeper of the Registers of Scotland



It feels like, over the past year, our feet have barely touched the ground at Registers of Scotland – in the best way possible.

Our teams have delivered an impressive work programme, and we have every intention of keeping up the pace.

We are guardians of 20 of Scotland's public registers, including the 402 year old General Register of Sasines – the world's oldest national land register. While we are proud of that rich history, and our legacy of protecting the land and property of the citizen, we've come a long way since the days when land transactions were marked symbolically by handing over a clump of ground or a stone.

Our Property Market Reports are a key component of a family of data and statistical reports that help us to better understand trends in the Scottish property market and economy. This report provides an overview of the residential and non-residential property markets, demonstrating again that we offer the most comprehensive and accurate property data in Scotland.

I was also pleased when the expert work of our Land and Property Data Team in collating, analysing, and reporting our data was recognised last year. The designation of the UK House Price Index (UK HPI), to which RoS is a key contributor, as a National Statistic by the Office for Statistics Regulation (OSR) was a significant collective achievement.

Accreditation confirms that the Index has been independently assessed and meets the highest levels of trustworthiness, quality and value as defined in the Code of Practice for Statistics.

We are in the midst of an ambitious programme of digital transformation, and in May this year we were able to launch the public offering of ScotLIS – Scotland's Land Information Service. We were already receiving excellent feedback from our business customers about the way ScotLIS has enabled solicitors to deliver for their clients, and I'm delighted that we are now able to make searching for property information quicker, more affordable, and more accessible for members of the public across our diverse communities.

Our recently published Corporate Plan reiterated our commitment on completion of the Land Register. We also set out a firm commitment to developing new services that are designed with our customers' needs at their core, and, crucially, to look for innovative ways to use our data for the benefit of the people of Scotland and the wider Scottish economy. Our role in the creation of Geovation Scotland is playing a key role in turning our data into a live resource, as well as crucial reference material – it looks like this coming year will be no less busy, innovative, or exciting as the last one, and I look forward to reporting back on it.

Main Findings

Table 1: Summary of residential market, Scotland, 2018-19, financial year data (online table 1)

	2018-19	% change - 1 year (2017-18 to 2018-19)	% change - 5 years (2013-14 to 2018-19)	% change - 10 years (2008-09 to 2018-19)
Average price (£)	178,991	2.2	13.6	15.9
Volume of sales	101,628	-0.5	16.3	17.4
Market value (£ billion)	18.2	1.6	32.1	36.1

Residential market (sales from £20,000 to £1 million)

- The average price of a residential property in Scotland in 2018-19 was £178,991, an increase of 16 per cent when compared with the pre-financial crash average price of £154,817 in 2007-08.
- Between 2003-04 and 2018-19, the highest quarterly average price was achieved in the third quarter of 2018-19 at £181,862¹.
- The volume of residential sales in 2018-19 was 101,628, a decrease of 32 per cent when compared with the peak year 2006-07 (150,455 sales).
- The greatest quarterly volume of residential sales between 2003-04 and 2018-19 was 42,310 sales in the second quarter of 2007-08. The quarter with the lowest volume of sales was the fourth quarter of 2008-09 with 11,692 sales.

- The total value of the residential sales market was £18.2 billion in 2018-19. The market value has been increasing every year since 2011-12, but remains 21 per cent below the pre-financial crisis level in 2007-08.

House Type and price band

- In 2018-19, detached properties had the highest average price of all house types (£263,336). This caused detached properties to hold the largest share of the residential sales market (29 per cent) in 2018-19 with a sales value of £5.3 billion.
- Flatted properties showed the largest volume of residential sales of all house types, with 36,635 sales in 2018-19.
- In 2018-19, four out of five (80 per cent) residential sales had a price between £20,000 and £250,000.

New build residential market

- The average price for a new build residential property in Scotland in 2018-19 was £249,429, a 0.5 per cent decrease when compared with the previous year (£250,699). This is the first annual decrease in the new build average price since 2009-10.

- The volume of new build sales in Scotland was 34 per cent lower in 2018-19 than the pre-financial crisis peak level in 2007-08, despite a 2.6 per cent increase between 2017-18 and 2018-19.
- Of the 101,628 residential property sales in the £20,000 to £1,000,000 price range in 2018-19, 12 per cent (12,205 sales) were new builds.
- The value of the new build residential property market in Scotland increased to £3.0 billion in 2018-19, growth of 2.1 per cent compared with 2017-18.

Main Findings



High-value residential market (sales over £1 million)

- The average price of a property sold for over £1 million in 2018-19 was £1.36 million.
- There were 181 sales over £1 million in 2018-19, five fewer sales than the previous year. The volume of high-value sales has decreased by 26 per cent since the peak in 2007-08.
- Over £1 million residential property sales in 2018-19 accounted for 0.2 per cent of all residential property sales in Scotland and 1.4 per cent in terms of value.
- The City of Edinburgh local authority area has consistently held around half of all sales over £1 million (66 per cent share in 2018-19).

City property market

- The average price paid for a residential property in one of Scotland's seven cities in 2018-19 was £194,281, 8.5 per cent higher than the all-Scotland average price for the same year.
- In Scotland, 28 per cent of all residential properties sold in 2018-19 were located within one of Scotland's seven cities.
- The market value for residential sales in all seven cities for 2018-19 was £5.6 billion, 1.6 per cent lower than 2017-18 (£5.7 billion). This compares with a residential market value of £18.2 billion across the whole of Scotland in 2018-19.

Mortgage market

- 70,161 residential sales were registered with a mortgage in 2018-19, a fall of 44 per cent when compared with 2007-08.
- In 2018-19, cash sales accounted for 31 per cent of the 101,628 residential sales in Scotland. This compares to 16 per cent in 2007-08, the lowest proportion between 2003-04 and 2018-19.
- A total of 128,717 securities were registered in the Land Register in 2018-19 across all property types, including both mortgage sales and additional borrowing. This is a decrease of 51 per cent when compared with 2006-07 and an increase of 3.1 per cent when compared with 2017-18.

Non-residential overview

- Non-residential sales had a total market value of £4.0 billion in 2018-19. Out of this total, 81 per cent were commercial sales, 9.6 per cent related to sales of land, 7.6 per cent were agricultural sales and 2.0 per cent were forestry sales.
- The volume of commercial sales has increased by 74 per cent since the lowest point in 2012-13, including a rise of 2.4 per cent between 2017-18 and 2018-19. The 4,636 sales in 2018-19 remains 14 per cent lower than the sales peak in 2007-08.
- The number of commercial leases in 2018-19 was 717, a fall of 3.1 per cent when compared with 2017-18. The volume of commercial leases was 39 per cent lower in 2018-19 than the peak year 2007-08 when there were 1,178 leases.

Things you need to know about this report



This Registers of Scotland (RoS) Property Market Report 2018-19 is part of a collection of reports on land and property in Scotland. Previous versions of this report have looked at trends within a 10-year window and last year we extended the period of the review to include 2007-08 for comparison with pre-financial crisis levels. This year we will report back to when RoS began compiling data for the whole of Scotland in 2003-04.

Our property statistics are compiled using data collected as part of the statutory land registration process. The data is extracted based on the date of registration, i.e. the date that the application for registration is received by RoS, rather than on the date of entry contained within the application. This data is comprehensive, covering transactions across the whole of Scotland for all types of property sales, in residential and non-residential markets, and with actual sale prices, not just valuations.

For further information about the data in this report, see the background and contact information section.

The data tables used in this report are available to download [here](#).

We are launching a user feedback survey on the statistics and data we publish at RoS, which you can access [here](#). Further information is available at the end of this report.

We will also be hosting a statistics user day later this year. If you would like to register your interest in attending please contact the Land and Property Data Team at data@ros.gov.uk.

Further information about RoS data and statistics is available on our [website](#).

RoS also publishes data for the Scottish component of the [UK House Price Index](#) (UK HPI). Please note that the statistics presented here are distinct from the UK HPI with differences in methodologies including date range of extraction, price range and type of average used. While the trends are broadly similar, the resulting average residential house price figures reflect the different methodologies used².

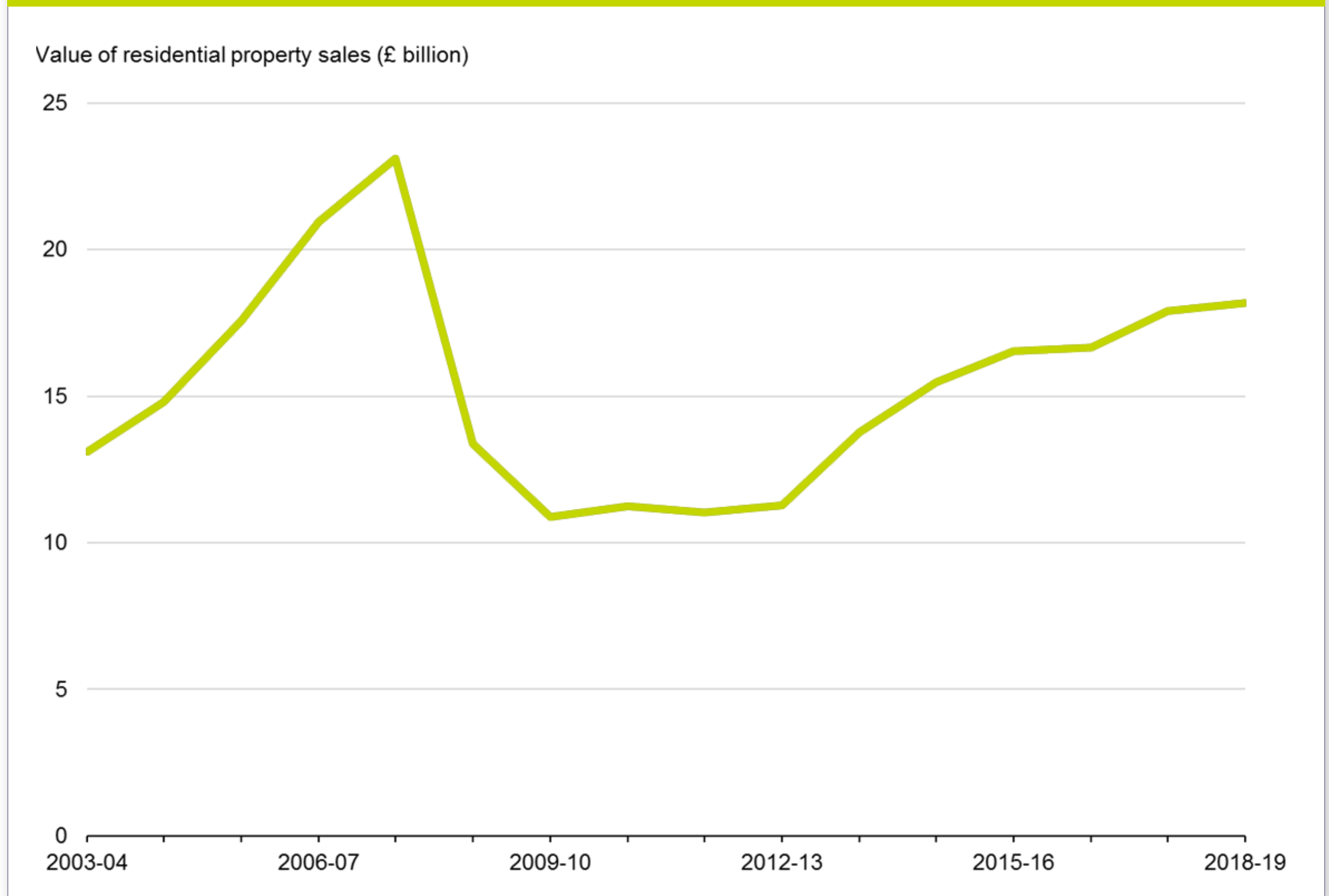
01 Residential Market

This section looks at residential sales from £20,000 to £1 million³.
The value of the residential property sales market in Scotland was £18.2 billion in 2018-19.

The market value has been increasing every year since 2011-12, but remains 21 per cent below the pre-financial crisis level in 2007-08 (£23.1 billion). The market value has increased by 67 per cent between 2009-10 and 2018-19 (chart 1, online table 2).

The value of the residential property sales market in Scotland has decreased between the pre-financial level peak in 2007-08 and 2018-19. Two local authorities, however, Midlothian and East Renfrewshire, have shown increases in the market value of residential sales over this time, up 17 per cent and 3.1 per cent respectively. This is due to a combination of substantial average price increases together with the smallest falls in volume of all local authorities over this time period⁴. The largest decrease was in North Ayrshire, which saw its market value fall by 42 per cent between 2007-08 and 2018-19, due to a large decrease in the volume of sales and a small increase in average price.

Chart 1: Value of residential property sales, Scotland, 2003-04 to 2018-19, financial year data (online table 2)



³ The background and contact information and contacts section contains further details about our definition of a residential property sale. Sales of over £1 million are covered within the separate high value residential property market overview section.
⁴ Orkney Islands, Na h-Eileanan Siar and Shetland Islands also showed increases of 36 per cent, 19 per cent and 17 per cent respectively. Local authority areas where sales volumes represent less than 1 per cent of the all-Scotland sales volume are excluded from the figures used for highlighting purposes. Average residential property prices in Midlothian and East Renfrewshire increased by 31 per cent and 24 per cent respectively both above the Scotland average of 16 per cent. Please see background and contact information section for additional information.

01 Residential Market

Annual average price

The average price of a residential property in Scotland in 2018-19 was £178,991, an increase of 16 per cent when compared with the pre-financial crash average price of £154,817 in 2007-08. Since 2003-04, the start of RoS house price data, the average residential property price has increased by 77 per cent (chart 2, online table 3).

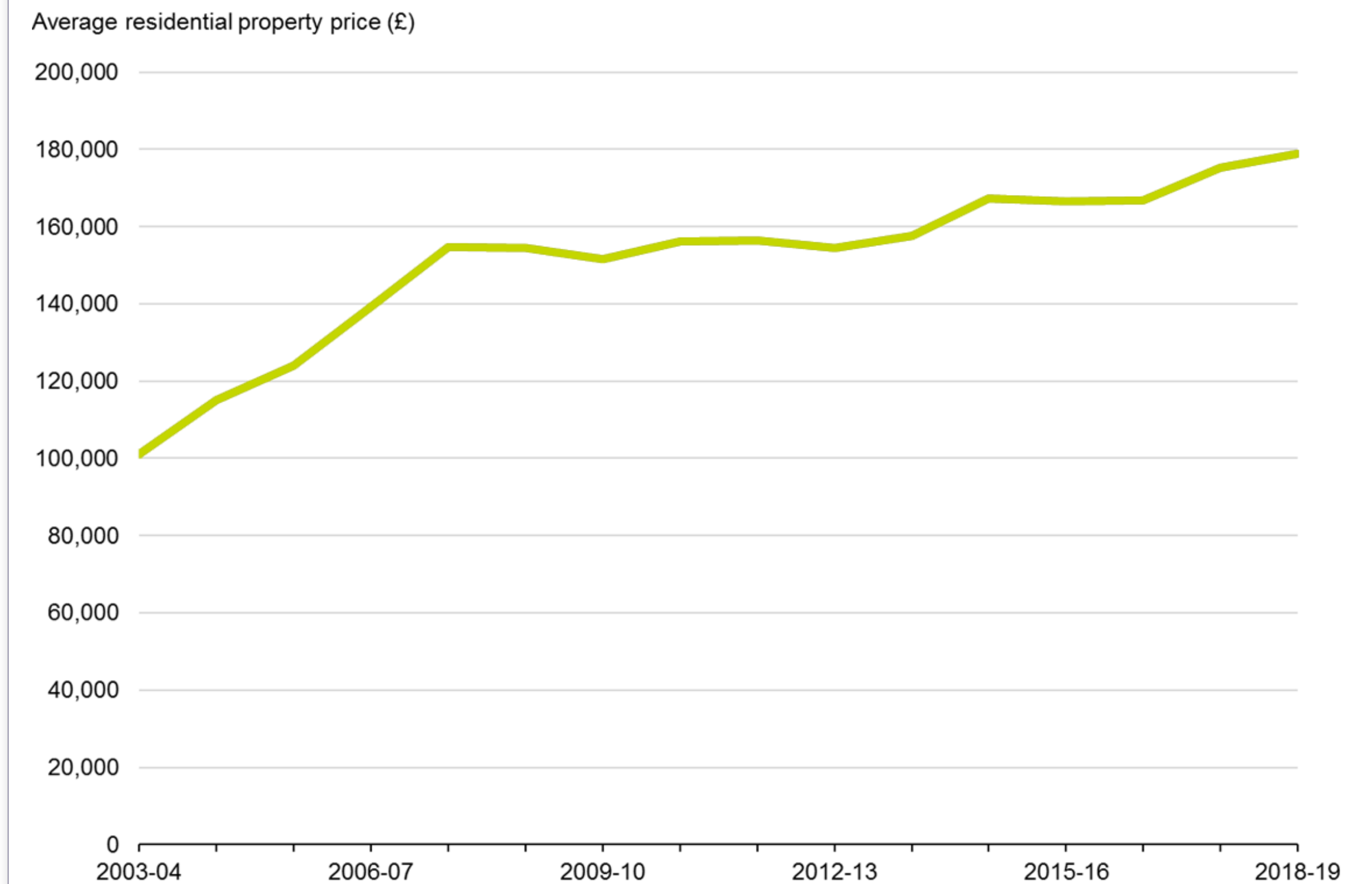
Midlothian saw the largest rise in the average residential property price between 2007-08 and 2018-19 with an increase of 31 per cent from £168,449 to £220,011⁵. In the same period, the largest decrease was in Inverclyde, with a 2.4 per cent reduction in the average price, from £129,510 to £126,386.

Midlothian also had the largest increase in the average price over the previous financial year, rising by 8.1 per cent from £203,470 in 2017-18 to £220,011 in 2018-19. Scottish Borders recorded the largest decrease, reducing by 2.6 per cent from £183,797 to £178,988⁶.

The City of Edinburgh has had the highest average price in the majority of years. Since 2013-14, the average price in City of Edinburgh has been surpassed in three years. In both 2016-17 and 2017-18 East Renfrewshire recorded the highest average price, and in 2013-14 both Aberdeenshire and East Renfrewshire exceeded the capital's average price.

Average prices in Aberdeen have been affected by the downturn of the oil industry, with average prices in Aberdeen City and Aberdeenshire decreasing between 2014-15 and 2018-19 by 9.7 per cent to £196,511 and 8.6 per cent to £212,501 respectively.

Chart 2: Average residential property price, Scotland, 2003-04 to 2018-19, financial year data (online table 3)



⁵ Shetland Islands and Orkney Islands showed increases of 53% and 36% respectively. Local authority areas where sales volumes represent less than 1 per cent of the all-Scotland sales volume are excluded from the figures used for highlighting purposes. Please see the background and contact information and contacts section for further information.

⁶ Na h-Eileanan Siar showed an increase of 9.9%.

01 Residential Market

Annual volume of sales

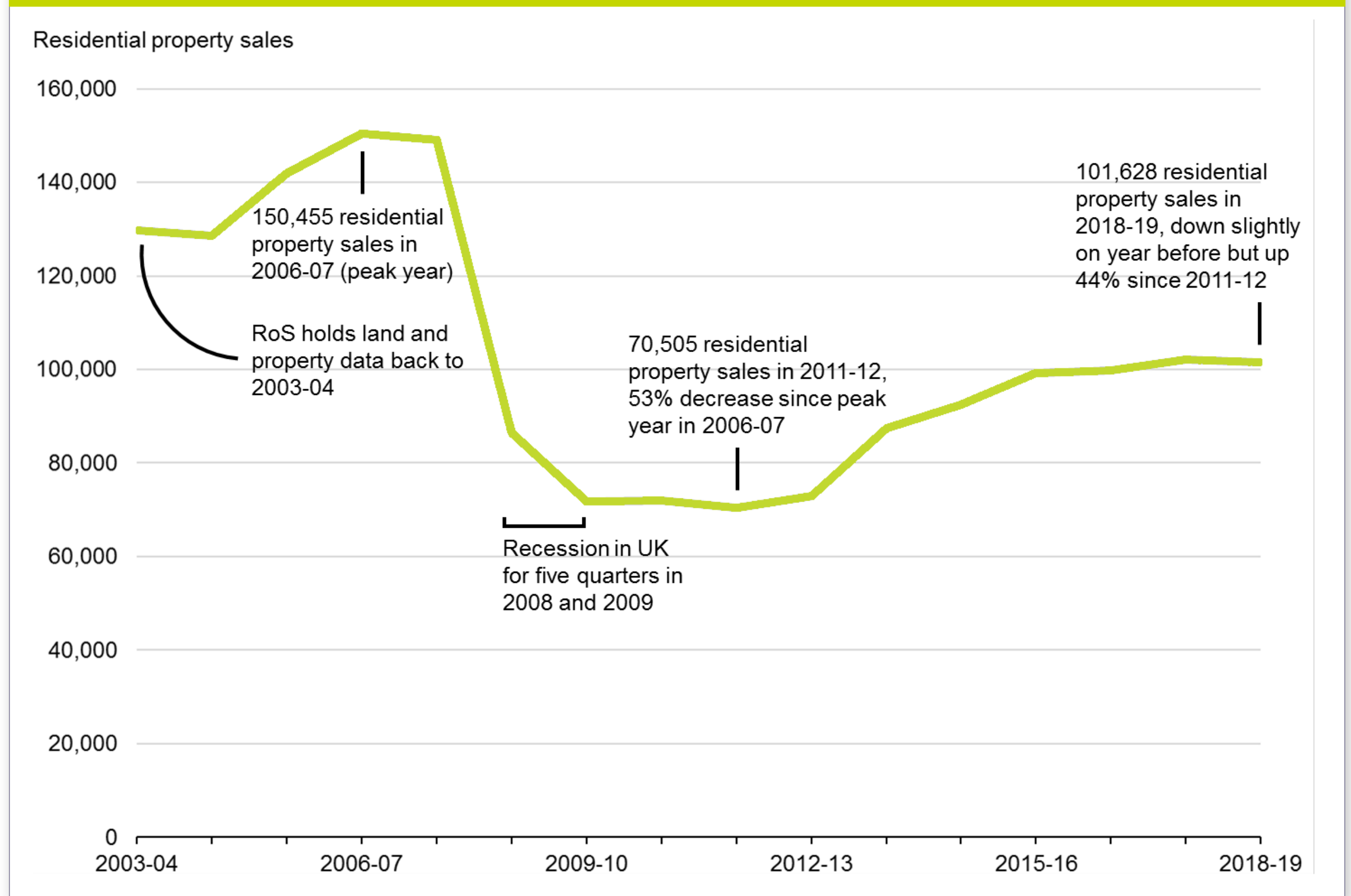
The total volume of residential sales across Scotland decreased by 32 per cent from 150,455 sales in 2006-07 (peak year) to 101,628 sales in 2018-19. This was largely driven by a substantial decrease in the volume of sales following the financial crisis. The sales volume in Scotland has risen by 44 per cent since the recent low of 70,505 sales in 2011-12. There was a decrease of 0.5 per cent when compared with 2017-18 (chart 3, online table 4).

The decrease in sales from 2006-07 to 2018-19 was reflected in all areas of Scotland⁷. Midlothian showed the smallest decrease (1.0 per cent), while Aberdeen City showed the largest decrease (49 per cent).

In 2018-19, Glasgow City and City of Edinburgh local authority areas had the largest sales volumes with 11,586 and 11,246 sales respectively, each accounted for 11 per cent of all sales in Scotland.

The volume of sales in Aberdeen has been affected by the downturn of the oil industry in recent years, with the number of sales in Aberdeenshire and Aberdeen City falling by 29 per cent and 25 per cent between 2014-15 and 2018-19 respectively.

Chart 3: Volume of residential property sales, Scotland, 2003-04 to 2018-19, financial year data (online table 4)



⁷ Orkney Islands showed an increase of 5.6 per cent. Local authority areas where sales volumes represent less than 1 per cent of the all-Scotland sales volume are excluded from the figures used for highlighting purposes. Please see background and contact for further information.

01 Residential Market

Quarterly analysis

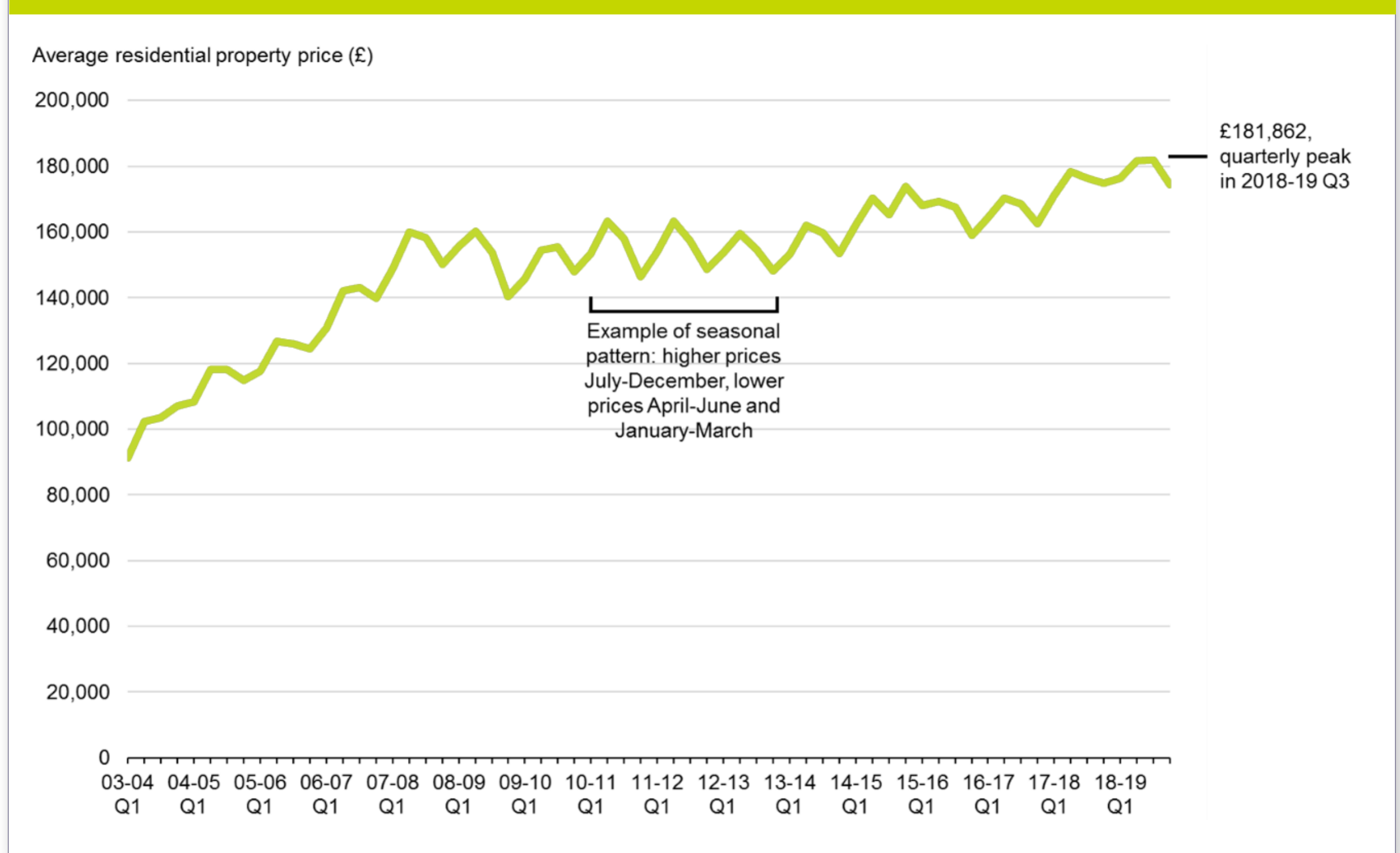
Quarterly analysis reveals seasonal trends in the housing market across the year.

The greatest quarterly volume of sales was in the second quarter of 2007-08 with 42,310 sales. The quarter with the lowest volume of sales between 2003-04 and 2018-19 was the fourth quarter of 2008-09 with 11,692 sales.

Between 2003-04 and 2018-19, the highest quarterly average price was achieved in the third quarter of 2018-19 at £181,862. The only quarters when the average price exceeded £180,000 over this time were the second and third quarters of 2018-19. The average price in the second quarter was £181,635.

Chart 4 shows the average price by quarter since 2003-04, highlighting the seasonal trends in the residential property market (see online tables 5 to 7 for additional quarterly data on market value and sales volume).

Chart 4: Average residential property price, Scotland, 2003-04 Q1 to 2018-19 Q4, quarterly financial year data (online table 6)



02 House Type and Price Band

Residential property sales in Scotland are assigned to one of four house types (detached, semi-detached, terraced and flatted properties) through a GIS-based classification system developed by RoS⁸.

A substantial number of sales cannot at this stage be assigned to a house type. This is primarily due to time lags between a title being received for registration and the updating of the map base, particularly for new build properties. Unassigned sales account for 10 per cent of sales for 2018-19, but this typically decreases as applications are completed and more information becomes available (there are currently 4.1 per cent unassigned in 2017-18 and less than 3.0 per cent for earlier years). The proportion of all sales that remain unassigned in 2018-19 could skew any resulting analysis, and so caution should be applied when using these statistics.

The volume of sales by house type is presented with these unassigned sales allocated to house types using historic data. This is the same method that is used to adjust our quarterly house price statistics⁸. Average price by house type and market value by house type cannot be adjusted in the same way, and are therefore presented showing unassigned sales separately from the house type figures.

Volume of sales

The following analysis on the volume of residential sales by house type is based on figures where unassigned sales have been allocated to house types using historic data. The series of unadjusted figures, showing unassigned figures separately, is available in online table 9.

Flatted properties showed the highest volume of residential sales in Scotland of all house types in 2018-19 with an estimated 36,635 sales. The lowest volume in the same year was for semi-detached properties with 18,616 sales.

Since 2006-07 (peak year in terms of residential property sales), sales volumes of all house types have fallen, with flatted properties recording the largest decrease at 42 per cent when comparing 2006-07 with 2018-19. Detached properties had the smallest decrease at 22 per cent.

Between 2017-18 and 2018-19, the change in volume of residential sales in Scotland varied

by house type. Flatted and semi-detached properties saw an increase in the volume of sales over this time with rises of 0.9 per cent and 0.2 per cent respectively. Detached and terraced properties saw a decrease in the volume of sales between 2017-18 and 2018-19 with falls of 2.9 per cent and 0.9 per cent respectively (table 2 and online table 8).

Table 2: Volume of residential property sales by house type (RoS methodology), Scotland, 2006-07, 2017-18 and 2018-19 financial year data (online table 8)

House type	2006-07 (Peak year)	2017-18	2018-19	% change 2017-18 to 2018-19	% change 2006-07 to 2018-19
Detached	30,958	24,965	24,252	-2.9	-21.7
Semi-Detached	24,815	18,582	18,616	0.2	-25.0
Terraced	31,462	22,315	22,125	-0.9	-29.7
Flatted	63,220	36,326	36,635	0.9	-42.1
Scotland	150,455	102,188	101,628	-0.5	-32.5

02 House Type and Price Band

Average price and market value

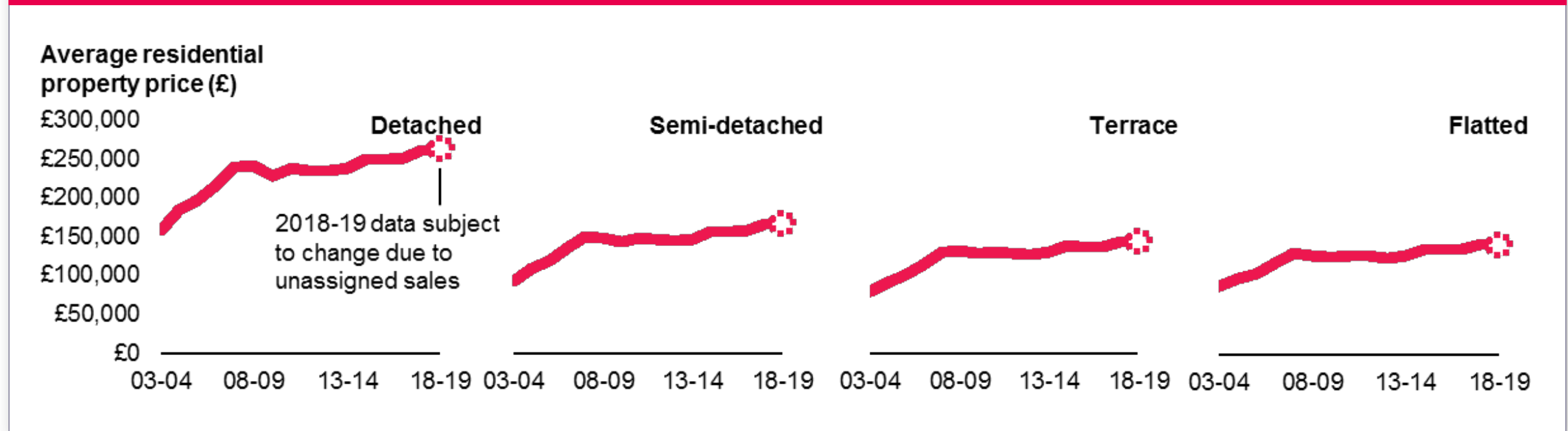
The analysis on average price and market value of residential property by house type has not been adjusted to account for the unassigned sales, and is therefore presented showing unassigned sales separately from the house type figures. Historic trends suggest that there tends to be on average a 1.0 per cent increase in average prices when figures are revised one year later. As the 2018-19 data is subject to change due to unassigned sales, caution should be applied when making comparisons with earlier years (online table 10).

Detached properties had an average price of £263,336 in 2018-19, the highest of all house types. Semi-detached properties had the second highest average price with £166,084.

The average prices of terraced and flatted properties in the same year were £143,904 and £139,958 respectively. In 2018-19, the average price for each house type has increased by less than 1.0 per cent (detached (0.8 per cent), semi-detached (0.7 per cent), terraced (0.8 per cent) and flatted (0.1 per cent) when compared with the previous year. It is anticipated that at least some of these annual changes may become larger increases as currently unassigned sales are assigned to house types to reflect the average residential property price annual increase of 2.2 per cent for all residential properties.

The average price of all house types has increased by around 10 per cent when comparing 2007-08 with 2018-19 (detached 9.7 per cent, semi-detached 11 per cent, terraced 11 per cent, flatted 8.7 per cent) (chart 5).

Chart 5: Average residential property price by house type, Scotland, 2003-04 to 2018-19, financial year data (online table 10)

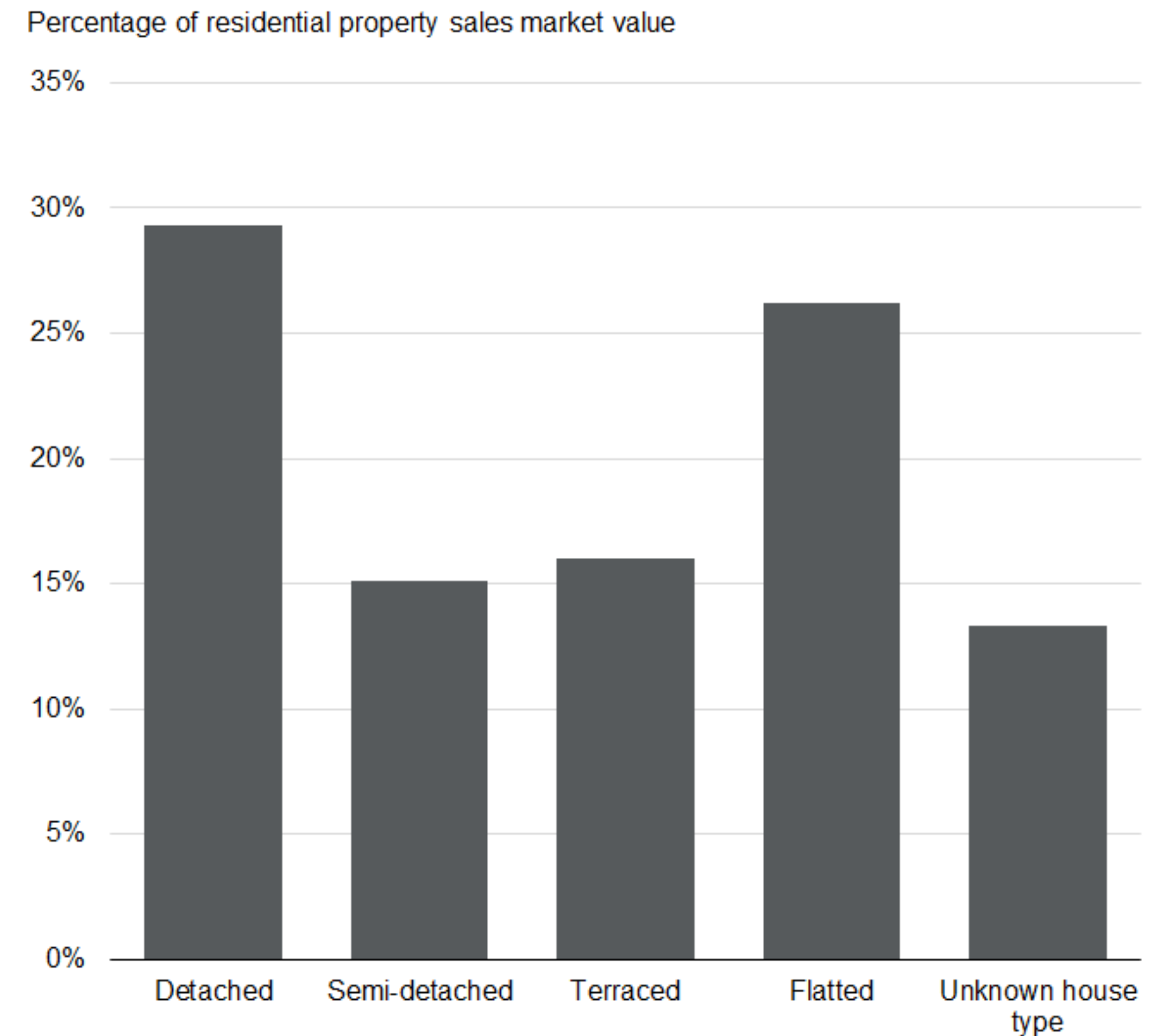


02 House Type and Price Band

The market value for all house types decreased between 2017-18 and 2018-19 (detached -13 per cent, semi-detached -6.4 per cent, terraced -5.1 per cent and flatted -3.2 per cent). Since 2007-08, the highest point in terms of market value, the market value of each house type has decreased by at least 20 per cent (detached -24 per cent, semi-detached -23 per cent, terraced -27 per cent and flatted -40 per cent). In 2018-19, the market value of detached

properties was £5.3 billion, the largest share of the total value of residential property sales at 29 per cent. Flatted properties, with a market value of £4.8 billion, had the second largest share of the property market (26 per cent). Terraced and semi-detached properties had a similar share of the market with 16 per cent and 15 per cent respectively. Sales unassigned to a house type accounted for 13 per cent of the total market value (chart 6, online table 11).

Chart 6: Percentage of residential property sales market value by house type, Scotland, 2018-19, financial year data (online table 11)



02 House Type and Price Band

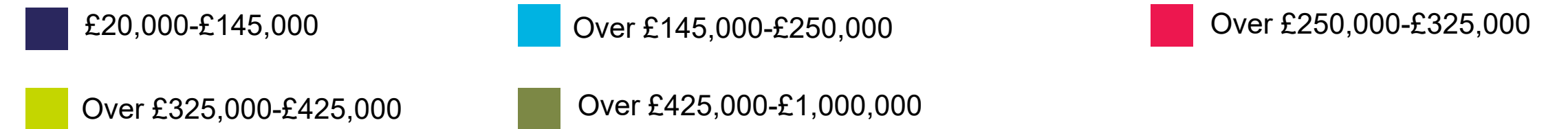
Price band

In 2018-19, four out of five (80 per cent) residential sales had a price between £20,000 and £250,000.

There has been a shift toward higher priced residential property from 2006-07 (peak year in terms of residential property sales) to 2018-19. The volume of sales has increased in all price bands over £250,000, despite the overall volume of sales having decreased by 32 per cent between 2006-07 and 2018-19. In contrast, the volume of sales in the '£20,000 - £145,000' and 'over £145,000 - £250,000' price bands have decreased by 51 per cent and 18 per cent respectively. Note that no account has been taken of inflation so a proportion of this shift will be due to inflationary effects in the property market and wider economy.

The share of sales transactions in the '£20,000 - £145,000' price band has decreased from 64 per cent in 2006-07 to 47 per cent in 2018-19. There has been an increase in market share in every price band over £145,000 from 2006-07 to 2018-19, ranging from a rise of 6.1 percentage points in the 'over £250,000 - £325,000' price band to 2.1 percentage points in the 'over £425,000 - £1 million' price band (chart 7, online table 12).

Chart 7: Percentage of residential property sales transactions by house price band, Scotland, 2006-07 and 2018-19, financial year data (online table 12)



2006-07: 150,455 residential property sales (peak year)



2018-19: 101,628 residential property sales

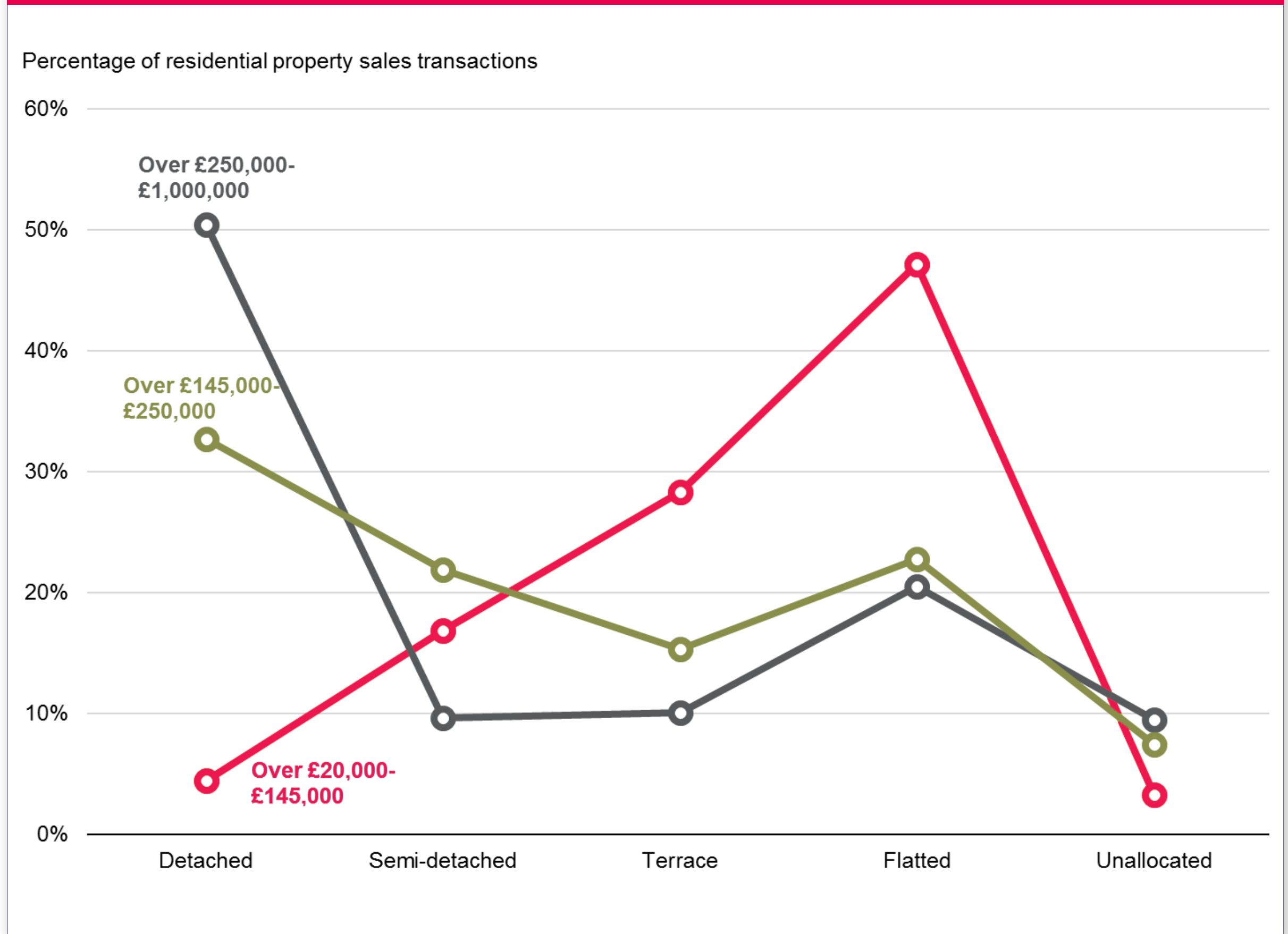


02 House Type and Price Band

The following analysis on price band by house type is based on the unadjusted sales figures, showing unassigned sales separately from house type figures and uses data from three financial years combined (2016-17 to 2018-19).

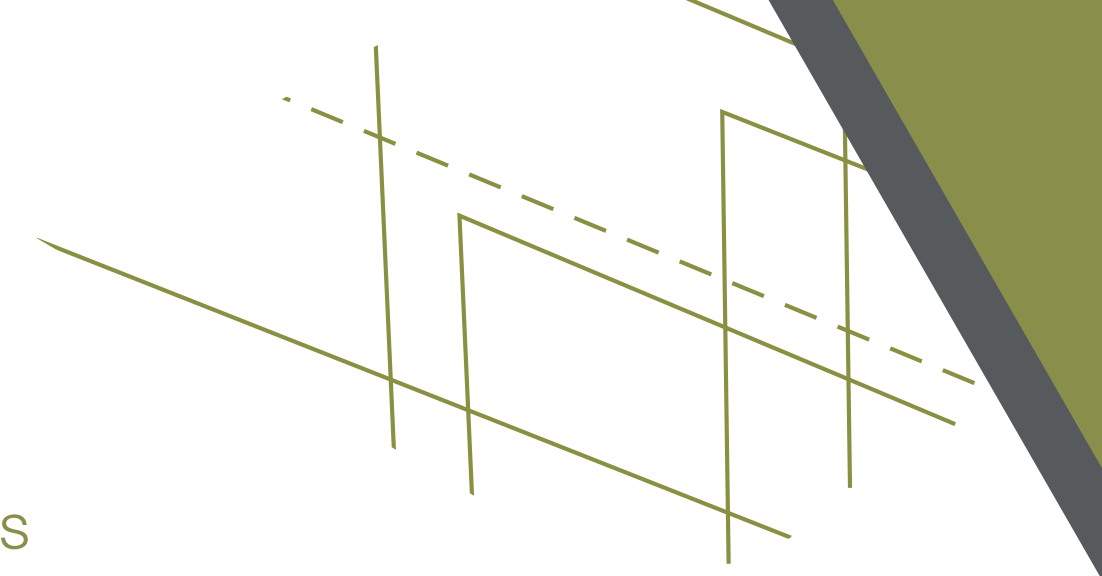
Detached properties accounted for by far the largest proportion of sales in all price bands over £250,000 (50 per cent), while flatted properties accounted for the largest proportion of the '£20,000 - £145,000' price band with a 47 per cent share. In the 'over £145,000 - £250,000' price band, a third of properties were detached with flatted and semi-detached properties having similar shares (23 per cent and 22 per cent respectively) (chart 8, online table 13).

Chart 8: Percentage of residential property sales transactions by house type and house price band, Scotland, 2016-17 to 2018-19 (3 financial years combined) (online table 13)



03 New build Residential Market

The figures presented in this section relate to single residential properties sold out of a builder's development title. The figures are therefore likely to cover the majority of new build transactions undertaken, but will exclude sales related to very small developments or single new build properties by private or small-scale builders.



Average price

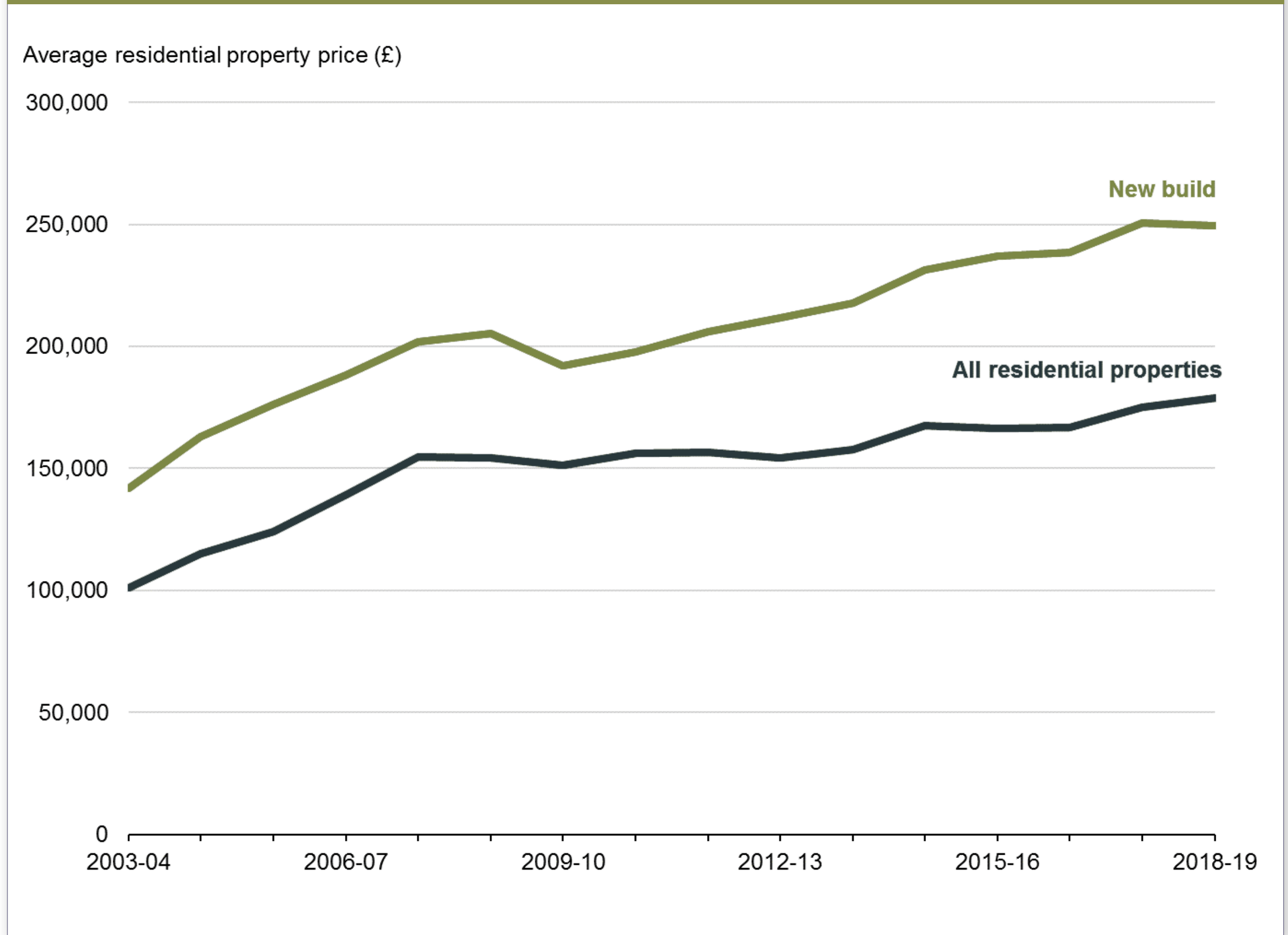
The average price for a new build residential property in Scotland in 2018-19 was £249,429, a 0.5 per cent decrease when compared with the previous year (£250,699). This is in contrast to the upward trend seen between 2009-10 and 2017-18 where there were annual increases in each year (chart 9, online table 14).

This compares with an average price of £178,991 for all residential properties. Since 2009-10, the average price for a new build residential property has increased by 30 per cent compared with 18 per cent for all residential properties.

The size of increase in average price seen in new build properties over this time could in part be explained by the change in composition of house types built throughout the reporting period, which is explored further in the house type section below.

East Renfrewshire continued to show the highest average price for new build property in 2018-19 at £392,418, despite a 9.4 per cent decrease when compared with the previous year. The lowest average new build price in 2018-19 was in West Dunbartonshire at £188,509⁹.

Chart 9: Average residential property price for new builds and all residential properties, Scotland, 2003-04 to 2018-19, financial year data (online table 14)



⁹ Na h-Eileanan Siar, Orkney Islands and Clackmannanshire showed average prices of £107,500, £149,825 and £174,905 respectively. Local authority areas where sales volumes represent less than 1 per cent of the all-Scotland sales volume are excluded from the figures used for highlighting purposes. Please see background and contact for further information.

03 New build Residential Market

Volume of sales

New build sales were 34 per cent lower in 2018-19 than the pre-financial crisis peak level in 2007-08, when there were 18,537 new build sales from development titles. There was a 2.6 per cent increase between 2017-18 and 2018-19. Since the lowest point of the market in 2011-12, when there were 7,585 new build sales, the volume of sales has increased year-on-year to 12,205 sales in 2018-19, an increase of 61 per cent (chart 10, online table 15).

Of the 101,628 residential property sales in Scotland in 2018-19, 12 per cent were new builds. Although this share has not varied greatly since 2003-04, this is the highest

proportion since 2008-09. New build property sales have accounted for more than 10 per cent of total residential property sales in Scotland since 2003-04, with a peak in proportion terms in 2008-09 (13 per cent) and a low in 2013-14 (10 per cent). This proportion has increased each year since 2013-14.

Despite the general downturn in volume following the financial crisis, seven local authority areas had their respective peak in new build sales after 2007-08. These were Moray, East Dunbartonshire, Orkney Islands, East Renfrewshire, Midlothian, City of Edinburgh and Renfrewshire.

Chart 10: Volume of new build residential property sales, Scotland, 2003-04 to 2018-19, financial year data (online table 15)



03 New build Residential Market

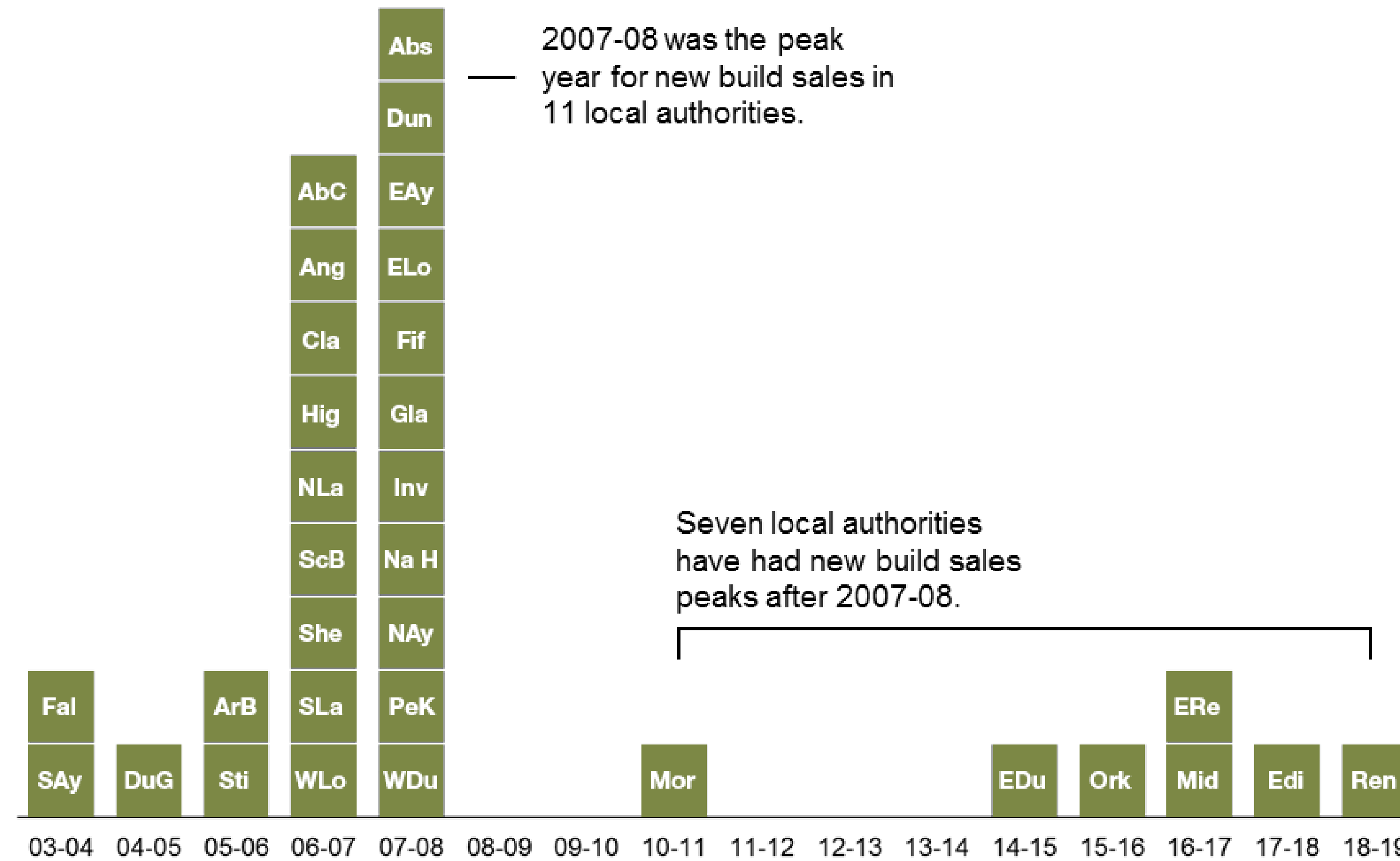
Charts 11 and 12 show the respective peak years for new build property sales in each local authority and the difference in new build sales between that peak year and 2018-19. Renfrewshire, with its peak year in 2018-19 shows a zero difference while Glasgow City with its peak year in 2007-08 (2,938 sales) had 1,981 fewer sales in 2018-19 (957 sales).

Local Authority	Abbreviation
Aberdeen City	AbC
Aberdeenshire	Abs
Angus	Ang
Argyll and Bute	ArB
City of Edinburgh	Edi
Clackmannanshire	Cla
Dumfries and Galloway	DuG
Dundee City	Dun
East Ayrshire	EAY
East Dunbartonshire	EDu
East Lothian	ELo
East Renfrewshire	ERe
Falkirk	Fal
Fife	Fif
Glasgow City	Gla
Highland	Hig

Local Authority	Abbreviation
Inverclyde	Inv
Midlothian	Mid
Moray	Mor
Na h-Eileanan Siar	Na H
North Ayrshire	NAY
North Lanarkshire	NLa
Orkney Islands	Ork
Perth and Kinross	PeK
Renfrewshire	Ren
Scottish Borders	ScB
Shetland Islands	She
South Ayrshire	SAY
South Lanarkshire	SLa
Stirling	Sti
West Dunbartonshire	WDu
West Lothian	WLo

Chart 11: Peak year for new build residential property sales in each local authority, Scotland, 2003-04 to 2018-19, financial year data (online table 15)

What was the peak year for new build residential property sales for each local authority?



2007-08 was the peak year for new build sales in 11 local authorities.

Seven local authorities have had new build sales peaks after 2007-08.

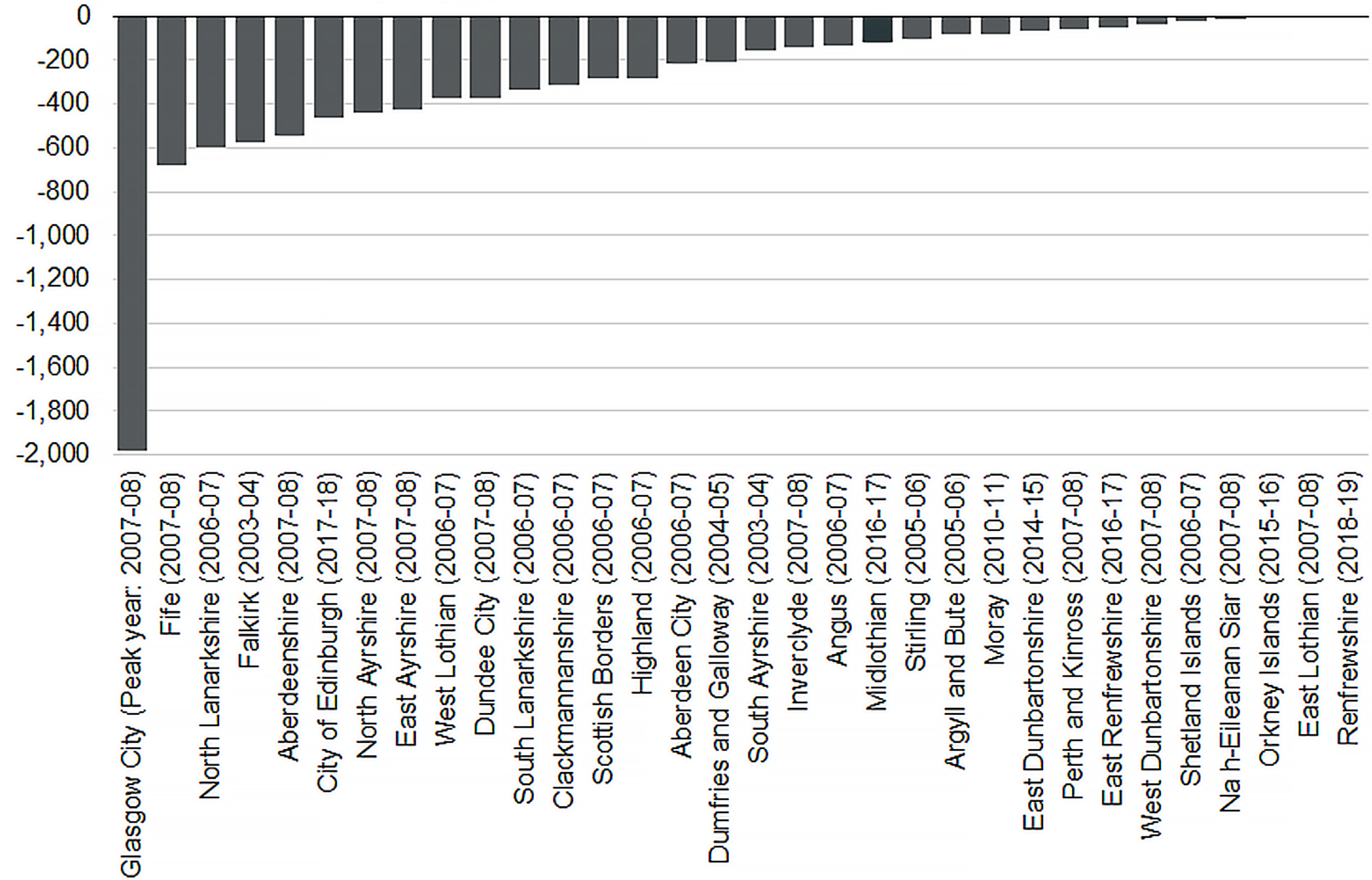
2007-08 was the peak year for new build sales in Scotland (18,537 sales).

In 2018-19, there were 12,205 new build sales, a 34% decrease on 2007-08.

03 New build Residential Market

Chart 12: Change in volume of new build residential property sales in 2018-19 with local authority peak year by local authority, Scotland, financial year data (online table 15)

Difference in new build residential property sales
(2018-19 minus local authority's peak year)



03 New build Residential Market

Price band

Chart 13 shows the volume of new build residential sales in Scotland by price band as a percentage of the annual total of new build sales, comparing 2018-19 with 2007-08 (the peak year for new build sales). In 2018-19, three quarters (75 per cent) of all sales had sale prices between £145,000 and £325,000, with around half (53 per cent) of all sales in 2018-19 in the 'over £145,000 - £250,000' price band (online table 17).

There has been a marked shift toward higher priced new build property from 2007-08 to 2018-19. An increase in volume was seen across all price bands for sales in excess of £250,000 when comparing 2007-08 with 2018-19. Although only 6.3 per cent of all new build sales in 2018-19 had a price greater than £425,000, this is more than double the 2.9 per cent share this price band had in 2007-08. This contrasts with the fall in share seen in the '£20,000 - £145,000' price band, which has decreased over this time from 28 per cent in 2007-08 to 8.5 per cent in 2018-19.

The share of the 'over £145,000 - £250,000' price band has remained relatively constant at around half of all new build sales, but between 2003-04 and 2005-06 this price band's share grew from one in three sales (35 per cent) to 52 per cent.

Chart 13: Percentage of new build residential property sales transactions by house price band, Scotland, 2007-08 and 2018-19, financial year data (online table 17)



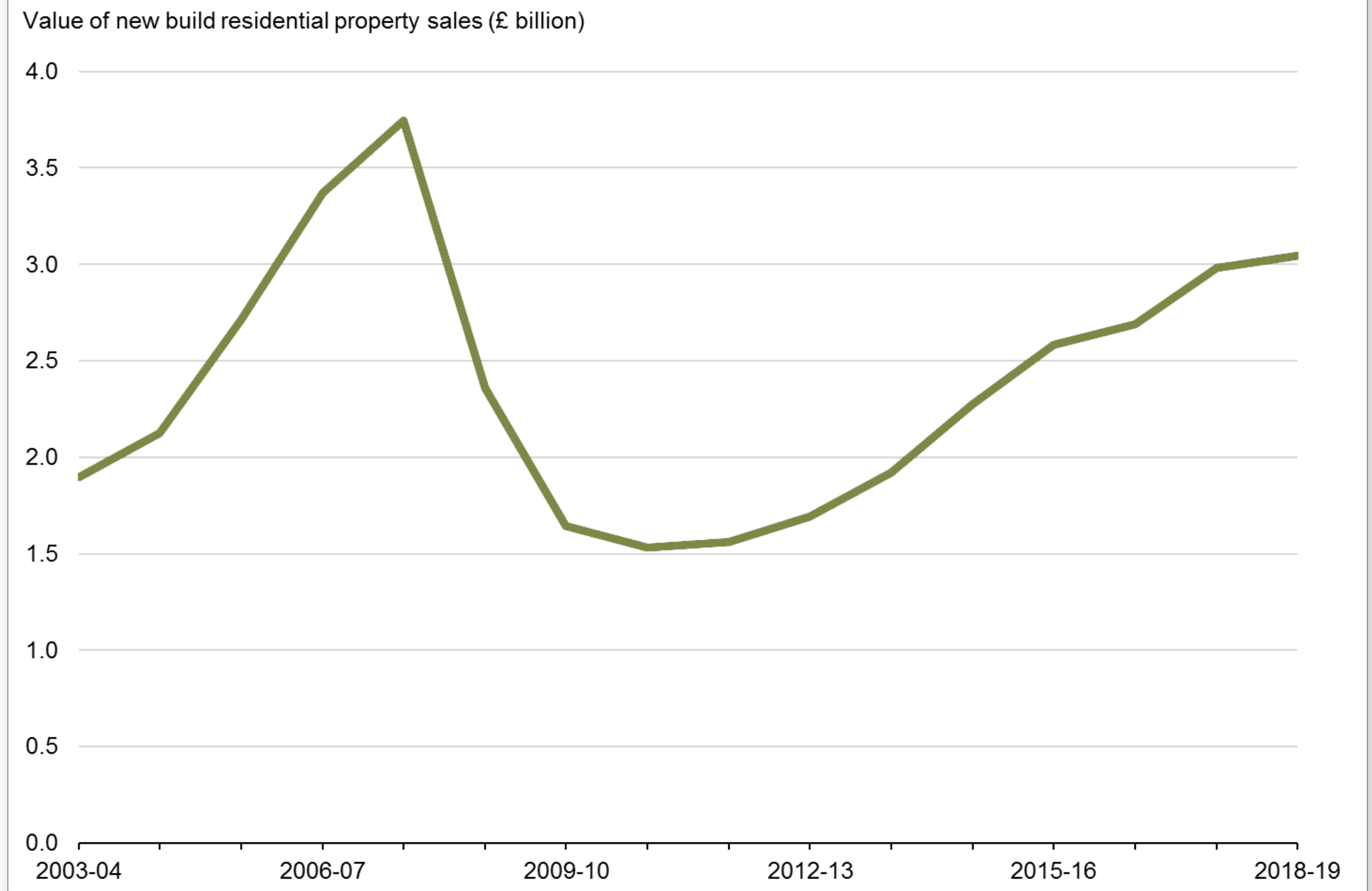
03 New build Residential Market

New build residential market value

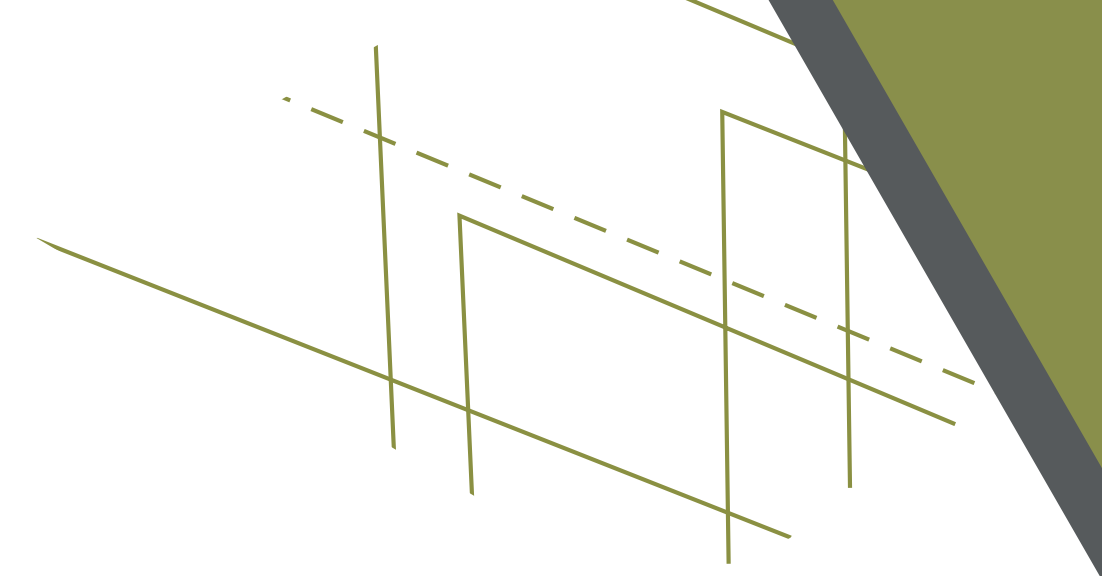
The value of the new build residential property market in Scotland increased to £3.0 billion in 2018-19, growth of 2.1 per cent compared with 2017-18. This compares to an overall market value for all residential sales of £18.2 billion. The new build residential market value has increased every year since 2010-11, reflecting increases in both number of sales and average prices across these years. The market value peaked at £3.7 billion in 2007-08, before falling by 59 per cent between 2007-08 and 2010-11 due to the drop in sales seen after the financial crisis. In 2018-19, the value of the new build residential market in Scotland was 19 per cent lower than in 2007-08 (chart 14, online table 18).

Online table 18 shows the value of the new build residential market by local authority area. Despite a 24 per cent annual decrease, the City of Edinburgh continues to hold the largest market value of all the local authorities in Scotland at £394 million, equating to a share of 13 per cent of the total market value in 2018-19. South Lanarkshire held the second largest market value in 2018-19 at £275 million, with a 9.0 per cent share of the total market value.

Chart 14: Value of new build residential property sales, Scotland, 2003-04 to 2018-19, financial year data (online table 18)



03 New build Residential Market



House type

In Chapter 2, house type and price band, the volume of sales by house type is presented with unassigned sales allocated to house types using historic data. This methodology cannot at this time be used for new build properties, so the following data and analyses are presented showing unassigned sales separately from the house type figures.

Online tables 19 to 22 detail the average price, sales volume and market value of the new build residential property market in Scotland by house type. House type figures for 2018-19 are provisional at this stage, due to titles for which registration is yet to be completed. The majority of sales for 2018-19 cannot at this stage be assigned to a house type. Unassigned sales account for 61 per cent of sales for 2018-19, but this typically decreases as applications are completed and more information becomes available (14 per cent in 2017-18, less than 5.0 per cent for earlier years). These unassigned sales could skew any resulting analysis, and so caution should be applied when making comparisons with earlier years.

The composition of house types of new build properties being built has changed across the reporting period. Despite the number of new build properties not assigned to a house type in the most recent years, there seems to have been a move away from flatted properties, with an increased emphasis on the other house types. In 2007-08, the share of the total volume of new build sales for flatted properties was 37 per cent (6,879 flatted sales), which has more than halved by 2016-17, decreasing by over 20 percentage points to 15 per cent (1,712 flatted sales) with this decrease being reflected in an increase almost equally split across the other house types (online table 20).

The average price of a new build property in Scotland, irrespective of house type, has been consistently higher than the average price of all properties of that type. The average price of all types of property in 2018-19 was higher than the equivalent average price of all properties of that type. The difference in average price is substantially greater for flatted and terraced properties, with average prices being respectively 66 per cent and 39 per cent higher in 2018-19. This comparison does not take into consideration other factors, aside from house type, that may affect any differences between new build and all sales, such as the size and location of properties being sold, their energy efficiency, etc. (online table 22)

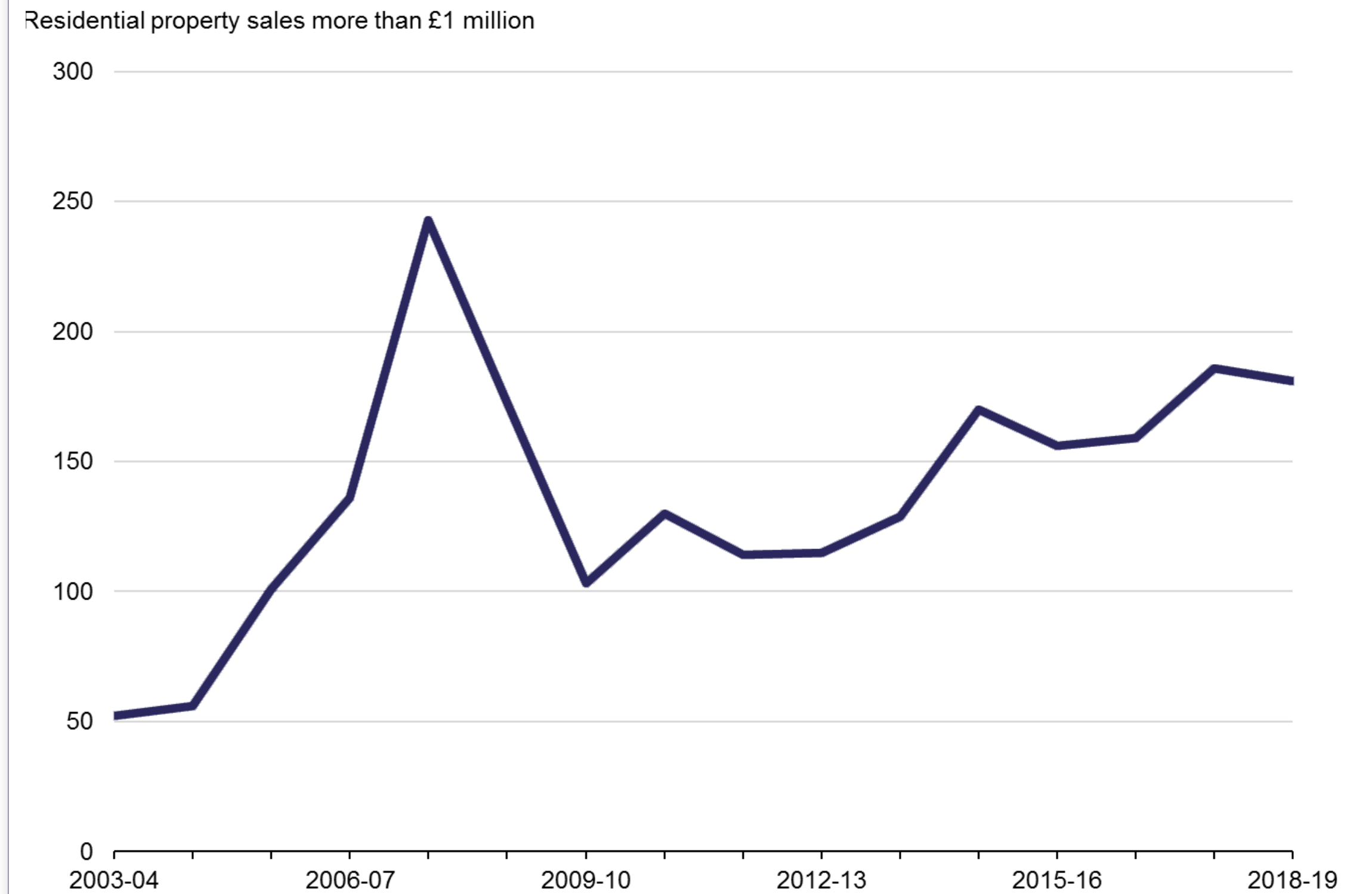
04 High Value Residential Market

There were 181 high value (over £1 million) sales in 2018-19, five fewer sales than the previous year.

The volume of high-value sales has decreased by 26 per cent since the peak in 2007-08 but in 2018-19 there were over three times the number of high-value transactions when compared with 2003-04 when RoS data starts (chart 15, online table 23). High value residential property sales in 2018-19 accounted for 0.2 per cent of all residential property sales in Scotland and 1.4 per cent in terms of value.

The City of Edinburgh local authority area has consistently held around half of all sales over £1 million (66 per cent share in 2018-19). There were two fewer over £1 million sales in the City of Edinburgh when compared with the previous year from 121 to 119.

Chart 15: Volume of residential property sales more than £1 million, Scotland, 2003-04 to 2018-19, financial year data (online table 23)



04 High Value Residential Market

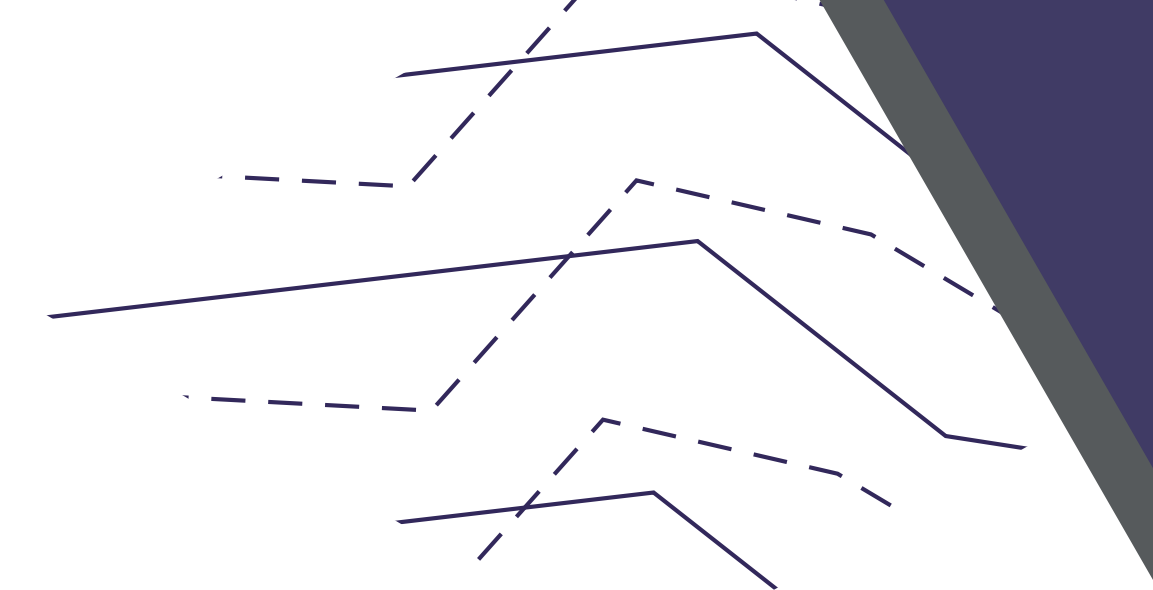


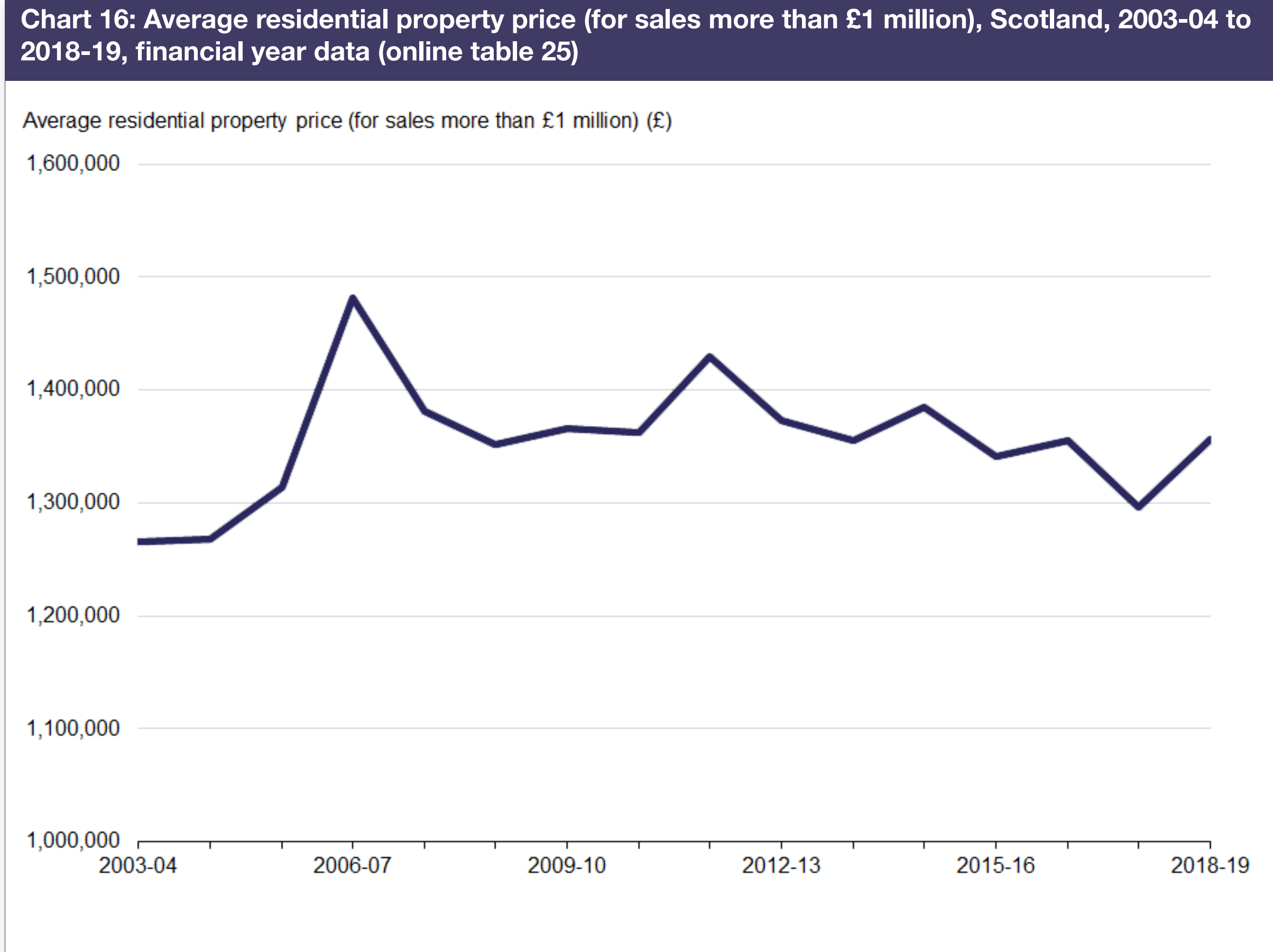
Table 3 (online table 24) shows the top 10 postal districts for high value (over £1 million) sales in Scotland. For the years 2007-08 to 2018-19 combined, 6 out of the top 10 postal districts were located in the City of Edinburgh, with the others in Aberdeen City, East Dunbartonshire, Glasgow City, Fife and South Lanarkshire.

Table 3: Top 10 postal districts by volume of residential property sales more than £1 million, Scotland, 2007-08 to 2018-19, financial years combined (online table 24)

Postal district	Local authority	Volume	Average price
EH3	City of Edinburgh	248	£1,428,120
EH10	City of Edinburgh	168	£1,399,218
EH9	City of Edinburgh	156	£1,418,426
EH4	City of Edinburgh	148	£1,321,872
AB15	Aberdeen City	104	£1,382,212
EH12	City of Edinburgh	97	£1,408,525
G61	East Dunbartonshire	53	£1,254,170
G12	Glasgow City	49	£1,195,928
KY16	Fife	41	£1,564,376
EH13	City of Edinburgh	38	£1,288,938
G74	South Lanarkshire	38	£1,280,103

04 High Value Residential Market

The average price of a property in the over £1 million price band in 2018-19 was £1.36 million (chart 16, online table 25).

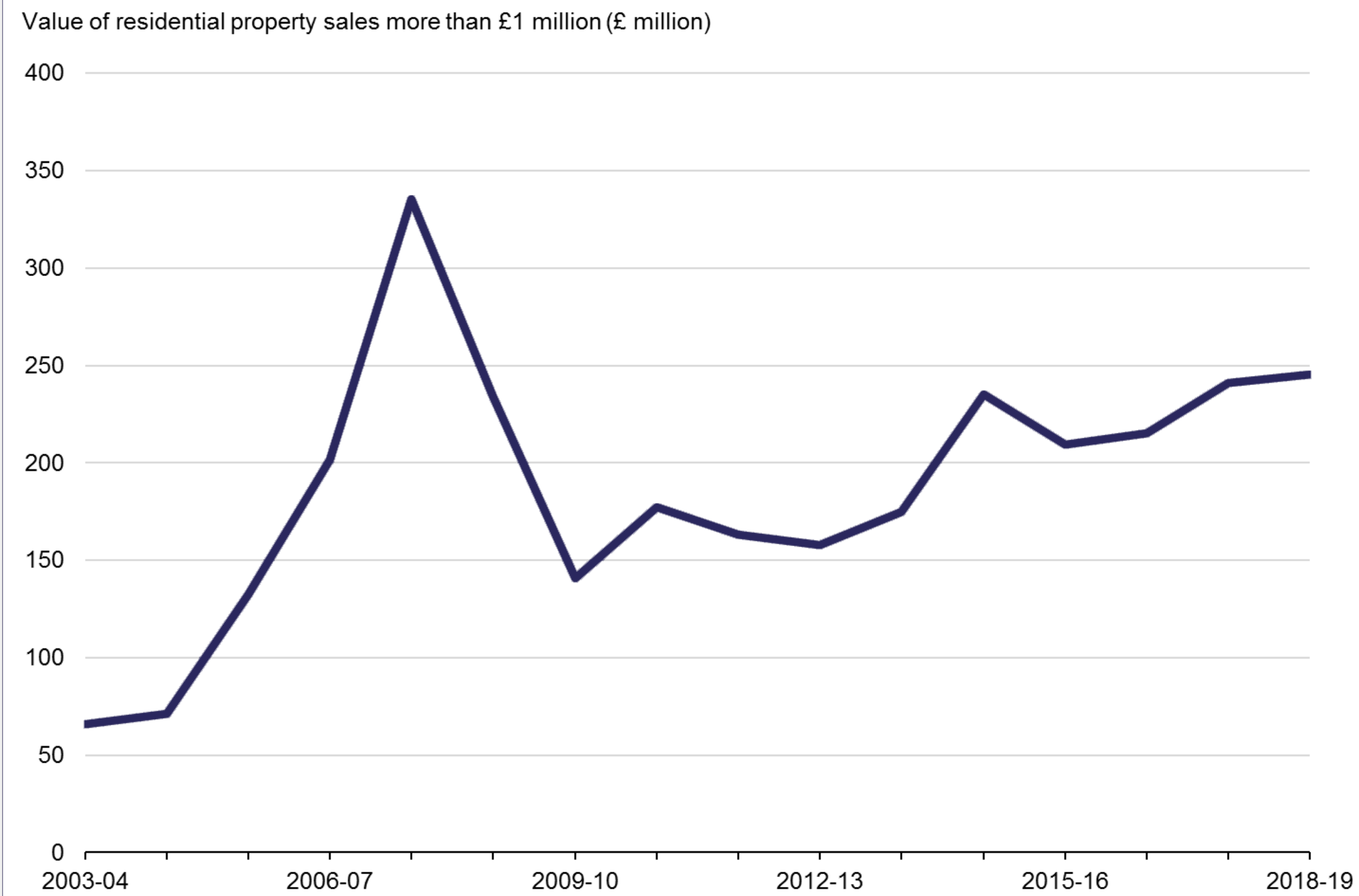


04 High Value Residential Market

The most expensive residential property to be registered since 2003-04 was in East Lothian in 2006-07. This property sold for £5.0 million. In the following financial year, a property in the EH12 postcode district of the City of Edinburgh sold for £4.9 million.

From the height of the market in 2007-08, the value of the over £1 million residential market has decreased by 27 per cent from £336 million in 2007-08 to £246 million in 2018-19. The value of the over £1 million market in 2003-04 was £66 million (chart 17, online table 26).

Chart 17: Value of residential property sales more than £1 million, Scotland, 2003-04 to 2018-19, Scotland, financial year data (online table 26)



05 City Residential Market

In Scotland, 28 per cent of all residential properties sold in 2018-19 were located within one of Scotland's seven cities¹⁰.

Volume

The volume of residential sales in Scotland's cities decreased by 4.1 per cent to 28,896 sales between 2017-18 and 2018-19, which was 42 per cent lower than the sales volume peak in 2006-07. For Scotland as a whole, residential property sales decreased by 0.5 per cent when compared with the previous year, and were 32 per cent below the level in 2006-07. Excluding cities, the volume of residential sales across the rest of Scotland increased by 0.9 per cent between 2017-18 and 2018-19 to 72,732 sales, 28 per cent lower than the sales volume in 2006-07.

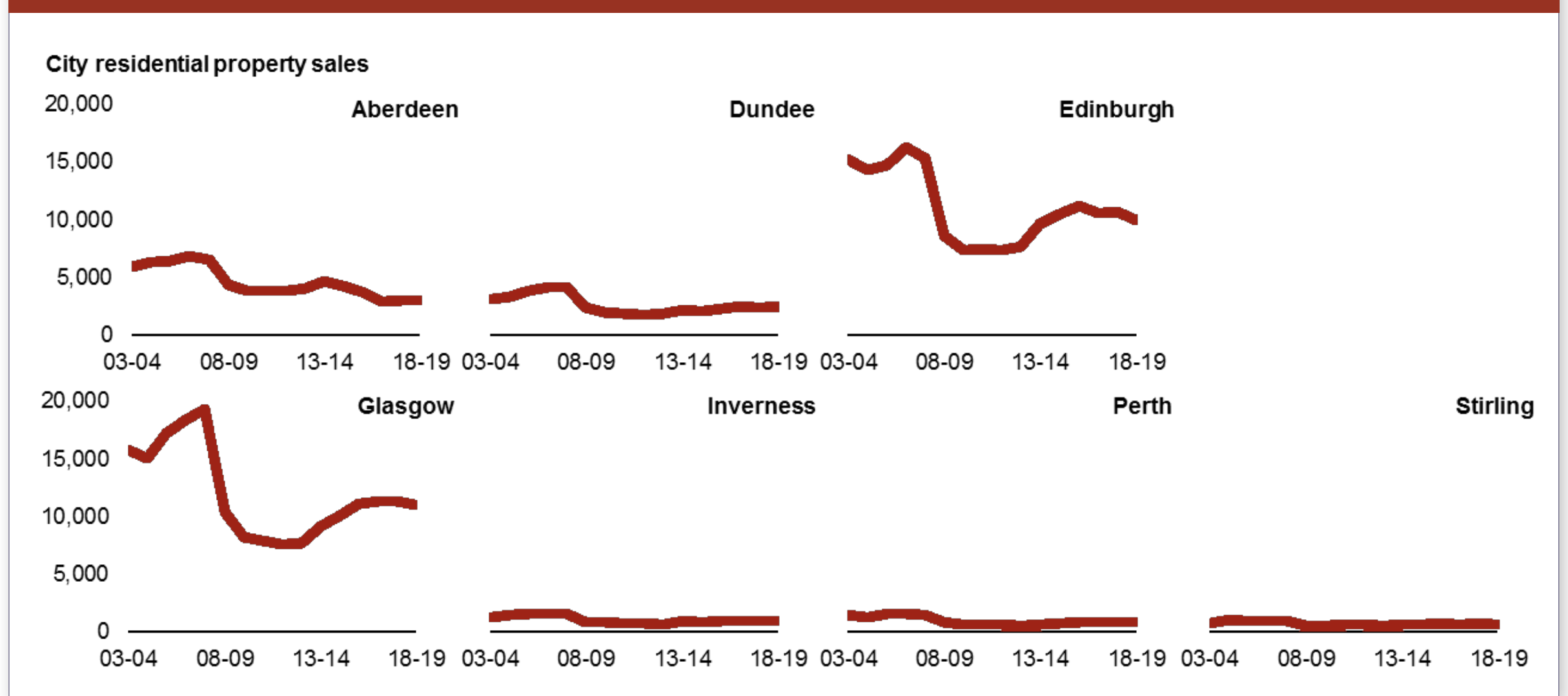
Residential property sales decreased in all cities, except Dundee between 2017-18 and 2018-19. Sales in Dundee increased by 1.4 per cent to 2,464 sales over the same time (chart 18, online table 27).

The volume of residential property sales in cities has increased by 28 per cent since the recent sales low in 2011-12. This is slower growth than Scotland as a whole, which increased by 44 per cent between 2011-12 and 2018-19. Sales in the rest of Scotland, excluding cities, increased by 51 per cent over the same period.

In 2018-19, Glasgow and Edinburgh accounted for 73 per cent of the volume of sales of all city residential properties and 21 per cent of all residential sales across Scotland. Glasgow had the largest share of sales in Scottish cities in 2018-19 at 38 per cent, with Edinburgh on 35 per cent (chart 20).

The cities' share of the total residential market across Scotland has followed a generally decreasing trend since 2003-04. The share was 34 per cent in 2003-04 compared with 28 per cent in 2018-19.

Chart 18: Volume of city residential property sales by city, Scotland, 2003-04 to 2018-19, financial year data (online table 27)



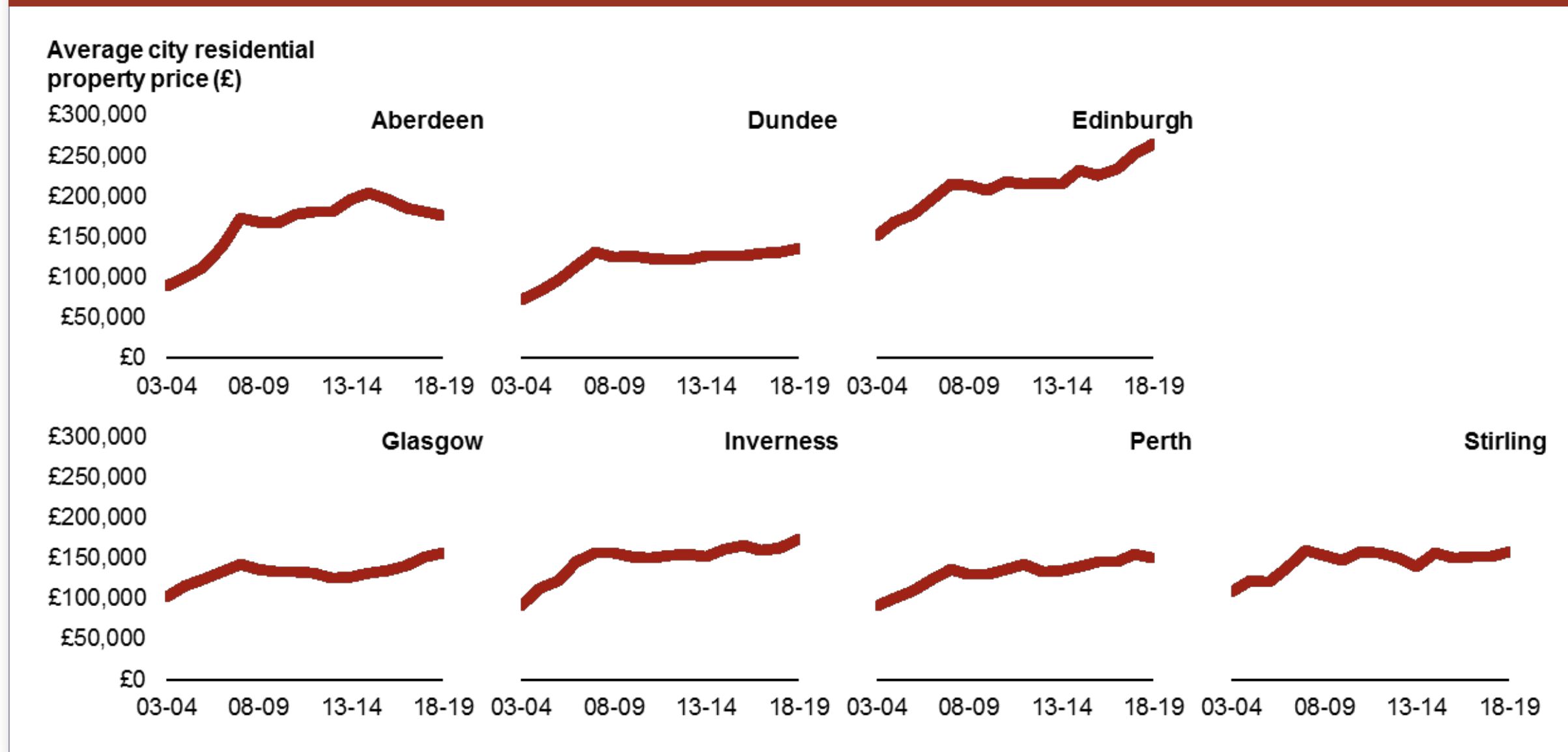
05 City Residential Market

Average price

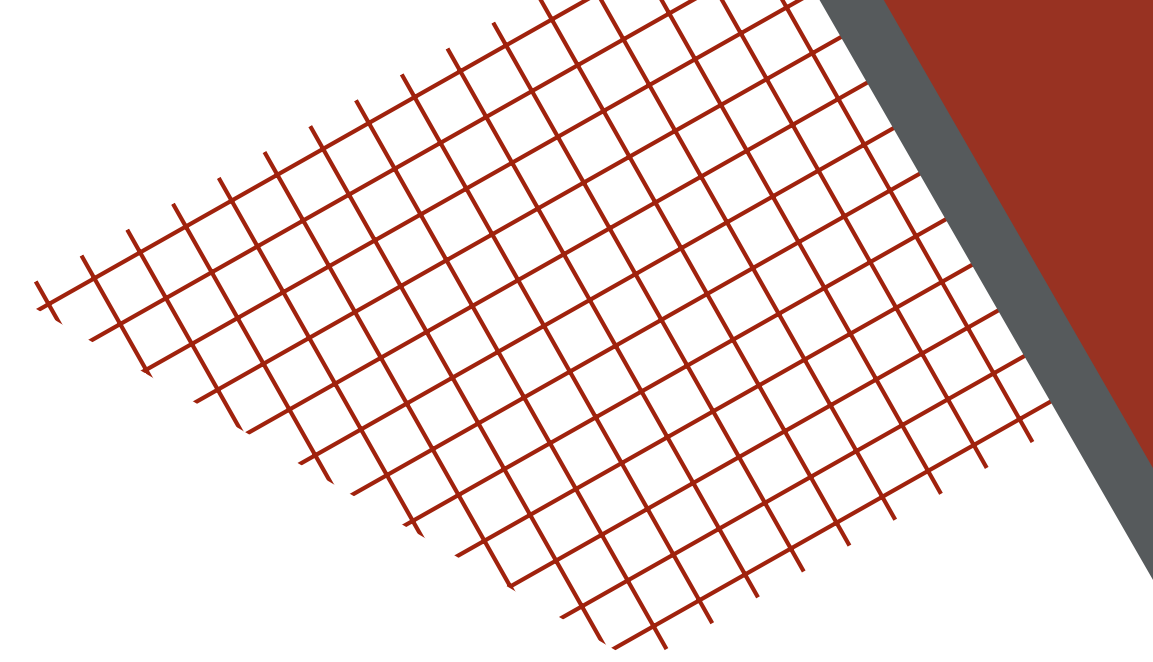
The average price paid for a residential property within one of Scotland's seven cities increased by 2.6 per cent from £189,336 in 2017-18 to £194,281 in 2018-19. The city average price is 8.5 per cent above the average price for all of Scotland in 2018-19 (£178,991). In 2018-19, the average price of every individual city other than Edinburgh is lower than the average price for Scotland (chart 19, online table 28).

In 2018-19, the average price in every city was above the pre-financial crisis level, with the exception of Stirling which was 0.7 per cent lower in 2018-19 than in 2007-08.

Chart 19: Average city residential property price by city, Scotland, 2003-04 to 2018-19, financial year data (online table 28)



05 City Residential Market



Market value

The market value for residential sales in all seven cities for 2018-19 was £5.6 billion. This is 33 per cent lower than the market value for 2007-08 (£8.3 billion) and 1.6 per cent lower than 2017-18 (£5.7 billion). This compares with a residential market value of £18.2 billion across the whole of Scotland in 2018-19 (chart 20, online table 29).

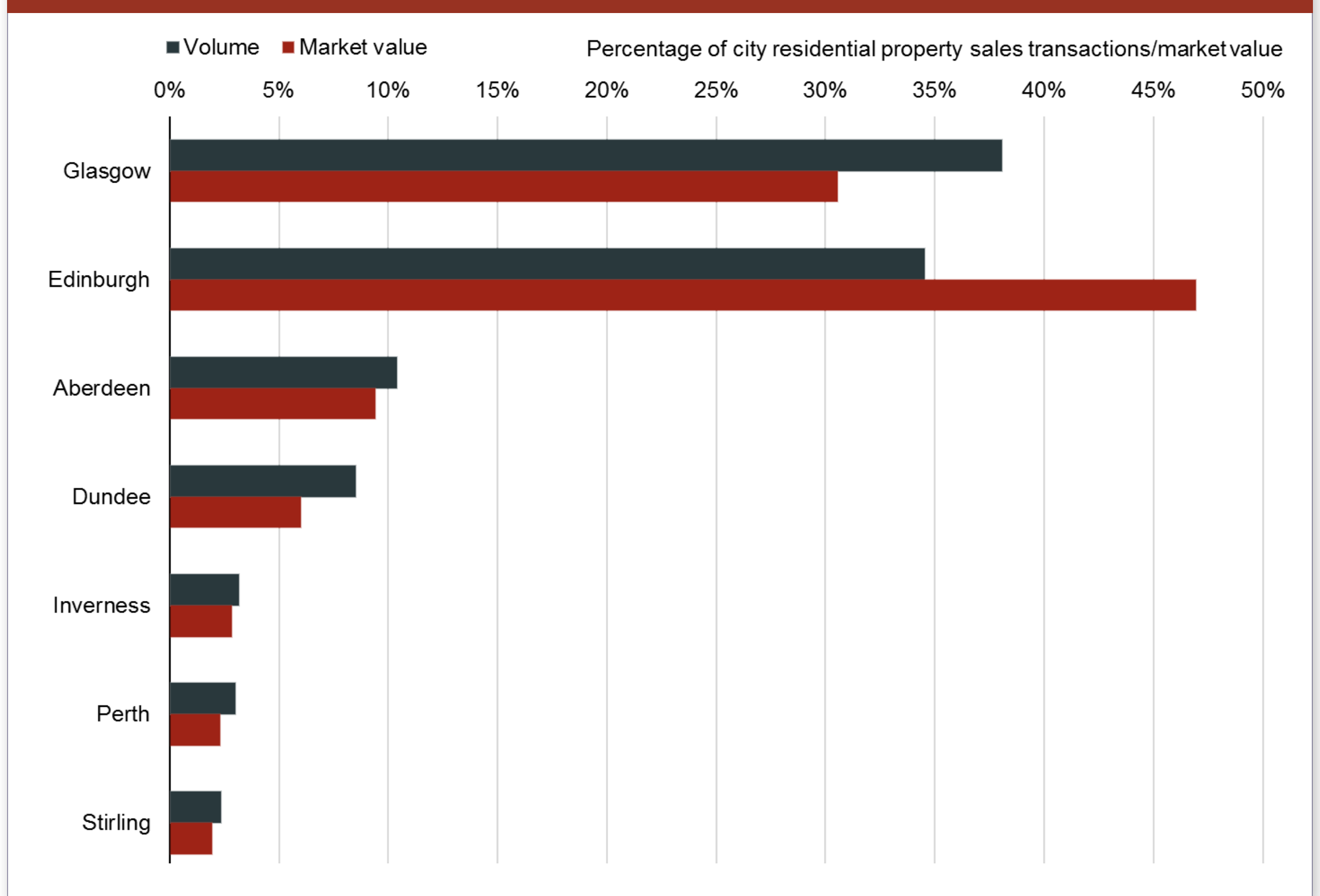
House type

The sales volume for flatted properties decreased by 46 per cent from 34,087 to 18,257 sales between 2006-07 (peak year for this house type) and 2018-19.

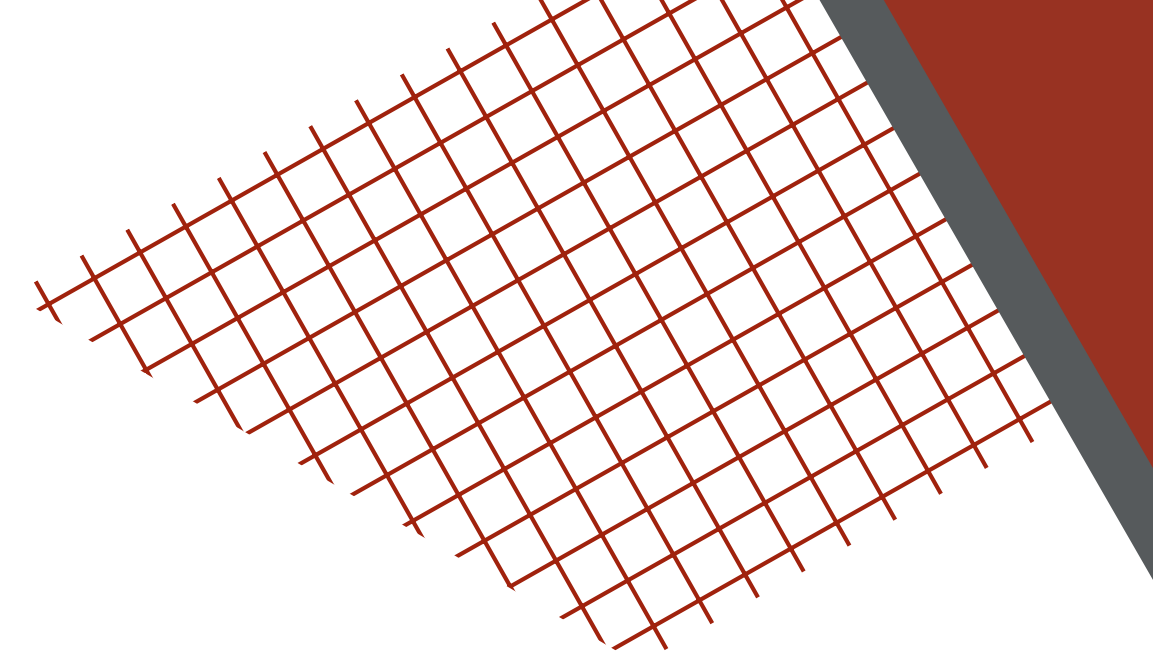
The average price of all house types in Scotland's cities have all increased by a similar amount between the pre-financial crash level in 2007-08 and 2018-19 (around 12 per cent to 15 per cent).

The average price for every house type in Scotland's cities is markedly higher than for Scotland as a whole. The average price for terraced properties in 2018-19 is 43 per cent higher within cities than the Scotland average, with detached, semi-detached and flatted properties all around 25 per cent higher.

Chart 20: Percentage of city residential property sales transactions and market value by city, Scotland, 2018-19, financial year data (online table 27 and 29)



05 City Residential Market



City Highlights

Aberdeen

The volume of sales in Aberdeen decreased in the last year by 2.2 per cent to 3,002 sales in 2018-19. This volume was 56 per cent lower than in 2006-07, the peak sales volume year for Aberdeen.

Aberdeen was one of only two cities to see a decrease in the average residential property price between 2017-18 and 2018-19, a 2.7 per cent decrease on the previous year to £176,186. Aberdeen also showed the smallest increase since the pre-financial crash level in 2007-08 of all Scottish cities, with a 1.4 per cent rise. The highest average price in Aberdeen over the period was £205,101 in 2014-15. Overall, average prices in Aberdeen have increased by 97 per cent between 2003-04 and 2018-19.

In 2018-19, the market value of residential property sales in Aberdeen was £529 million. This was a decrease of 4.8 per cent on the previous year, and 53 per cent lower than in 2007-08 (£1.1 billion), the largest decreases in market value when compared with all cities over both time periods. Aberdeen remained the third largest residential sales market in Scotland in 2018-19 after Edinburgh and Glasgow.

Dundee

In Dundee, the average price of a residential property for 2018-19 was £136,466, up 3.5 per cent on 2017-18. The average purchase price in Dundee rose above the pre-financial crisis level of 2007-08 for the first time in 2017-18, and in 2018-19 was 4.3 per cent higher than the average price in 2007-08. Only semi-detached properties saw a decrease in average price between 2017-18 and 2018-19, with all other house types increasing over this time.

Dundee was the only city where the volume of sales increased between 2017-18 and 2018-19, rising by 1.4 per cent to 2,464 sales. This figure was 37 per cent higher than the

recent lowest point in the market in 2011-12, but 41 per cent lower than the sales volume in 2007-08.

In 2018-19, the market value of Dundee residential property sales was £336 million, which was an increase of 4.9 per cent from the previous year. Dundee was one of only two cities, along with Inverness, where the market value increased in the last year. The market value in Dundee remains 39 per cent lower than in 2007-08.

Edinburgh

In 2018-19, Edinburgh had the highest residential market value of all of Scotland's cities, at £2.6 billion. This was a decrease of 2.4 per cent on the previous year, and 20 per cent lower than in 2007-08. Edinburgh represented 47 per cent of the residential market value of all cities, no change from 2017-18, compared with 40 per cent in 2007-08. Edinburgh accounted for 14 per cent of the market value of the whole of Scotland in 2018-19.

Edinburgh had the largest decrease in the volume of residential sales over the last year, falling by 6.9 per cent to 9,976 sales. The

volume of sales in Edinburgh was 39 per cent lower than in 2006-07, the peak year for sales in Edinburgh.

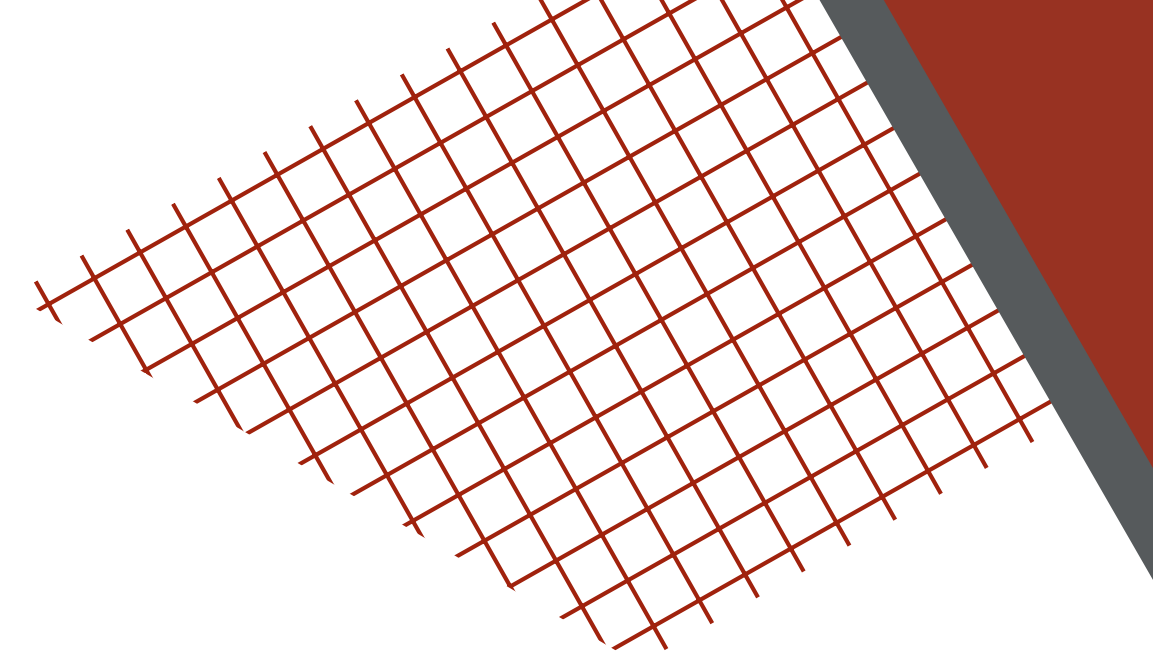
The average residential property price in Edinburgh in 2018-19 was £264,232. This was a 4.8 per cent price increase on the previous year and a 22 per cent increase on 2007-08.

The average price of a detached property in Edinburgh in 2018-19 was £459,354, up 11 per cent from the previous year and up 15 per cent on 2007-08. This was the highest average price of any house type across all seven cities in 2018-19, the closest in any city being a detached property in Aberdeen (£341,357).

Glasgow

Glasgow's property market was worth £1.7 billion in 2018-19, a slight decrease of 0.6 per cent when compared with 2017-18, and a decrease of 38 per cent on 2007-08. The value of residential property sales in Glasgow has increased by 77 per cent since its recent lowest point in 2012-13. Glasgow represented 31 per cent of the residential market value of all cities in 2018-19, a decrease of two percentage points when compared with 2007-08. This

05 City Residential Market



proportion has increased every year since 2013-14 when Glasgow accounted for 24 per cent of the all city market value.

The average price was £156,118, an increase of 2.7 per cent on the previous year and 9.1 per cent on 2007-08. Only terraced properties saw a decrease in average price between 2017-18 and 2018-19, with all other house types increasing over this time.

With 10,995 residential sales in 2018-19, Glasgow had the largest volume of sales of the seven cities. This equates to 11 per cent of all 2018-19 residential sales in Scotland. The volume of sales in Glasgow decreased by 3.2 per cent between 2017-18 and 2018-19, but have increased by 46 per cent since 2011-12, when there were 7,542 sales.

Inverness

The average house price in Inverness for 2018-19 was £173,935, the third highest average house price in Scotland's cities after Edinburgh and Aberdeen. The average price in 2018-19 was 6.5 per cent higher than in 2017-18, and 11 per cent higher than in 2007-08. Only flatted properties saw a decrease in average price between 2007-08 and 2018-19, with all other house types increasing over this time.

The volume of sales decreased by 2.8 per cent from the previous year with 913 sales in 2018-19 compared with 939 in 2017-18. The volume of sales in Inverness in 2018-19 was 43 per cent lower than in 2005-06, the peak sales year for Inverness, when there were 1,592 sales.

The value of the residential market in Inverness increased by 3.6 per cent between 2017-18 and 2018-19 to £159 million. Inverness was one of only two cities, along with Dundee, where the market value increased in the last year. The market value of Inverness was 34 per cent lower than in 2007-08 (£241 million).

Perth

The average residential property price for Perth in 2018-19 was £149,559, a 3.1 per cent decrease when compared with 2017-18. Perth was one of only two cities to see a decrease in average price over this time. The average price of flatted properties decreased between 2007-08 and 2018-19, while all other house types increased over this period.

The volume of sales in Perth decreased by 1.5 per cent between 2017-18 and 2018-19 to 866 sales. Residential property sales in 2018-19 were 45 per cent lower than in 2006-07 when there were 1,585 sales.

The market value in Perth decreased by 4.5 per cent in the last year, the second largest decrease after Aberdeen, and a 37 per cent decrease since 2007-08.

Stirling

The average residential house price in Stirling in 2018-19 was £158,778, a 4.1 per cent increase on the previous year. Stirling was the only city where the average price has not risen above the pre-financial crisis level in 2007-08. The average price in 2018-19 was 0.7 per cent lower than in 2007-08 (£159,871).

The volume of sales in Stirling decreased by 6.5 per cent between 2017-18 and 2018-19, the second largest fall of all cities. The 680 sales recorded in Stirling in 2018-19 was 33 per cent lower than in 2004-05, the peak year for sales in Stirling.

In 2018-19, the value of the residential market in Stirling decreased by 2.6 per cent to £108 million when compared with the previous year. This was 30 per cent lower than the market value in 2007-08, the second smallest decrease of all cities over this period.

06 Mortgage Market

In 2018-19, sales with a mortgage accounted for 69 per cent of the residential sales market, with cash sales accounting for the balance.

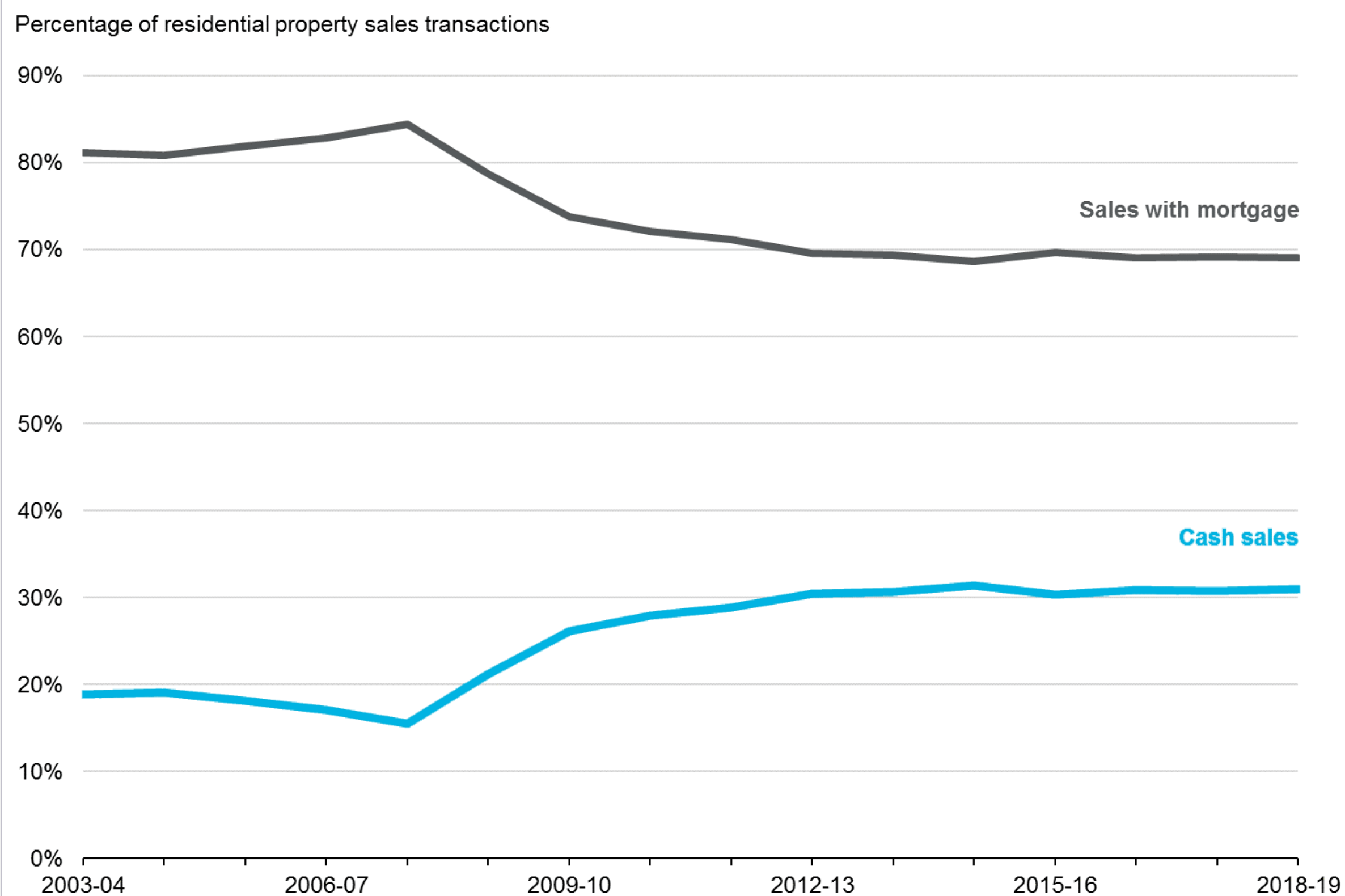
This proportion has remained relatively constant since 2012-13. Prior to that, the proportion of sales with a mortgage decreased from 84 per cent in 2007-08 to 70 per cent in 2012-13 as a result of more restricted lending conditions in place following the financial crisis. In 2003-04, 81 per cent of residential sales were with a mortgage (chart 21, online table 30).

The volume of residential sales with a mortgage has decreased by 44 per cent from 126,007 in 2007-08 (peak year for mortgage sales) to 70,161 in 2018-19. Residential purchases registered without a mortgage (cash sales), as a proportion of all residential sales, was 16 per cent in 2007-08 compared with 31 per cent in 2018-19, an increase of 36 per cent from 23,136 to 31,467 cash sales. This compares with a decrease in the volume of residential sales of 32 per cent between 2007-08 and 2018-19, which was in large part due to substantial decreases in the years immediately following the financial crisis.

The volume of residential sales registered with an accompanying mortgage more than halved between 2007-08 and 2009-10, a decrease of 58 per cent. Between 2011-12 and 2018-19, the volume of sales with mortgages has followed a generally increasing trend, rising by 40 per cent from 50,179 to 70,161 sales.

The volume of cash sales decreased by 21 per cent between 2007-08 and 2008-09. Since then, the number of cash sales has increased every year, rising by 71 per cent from 18,364 in 2008-09 to 31,467 in 2018-19. In 2018-19, the volume of cash sales was 22 per cent higher than the pre-financial crisis peak in 2006-07.

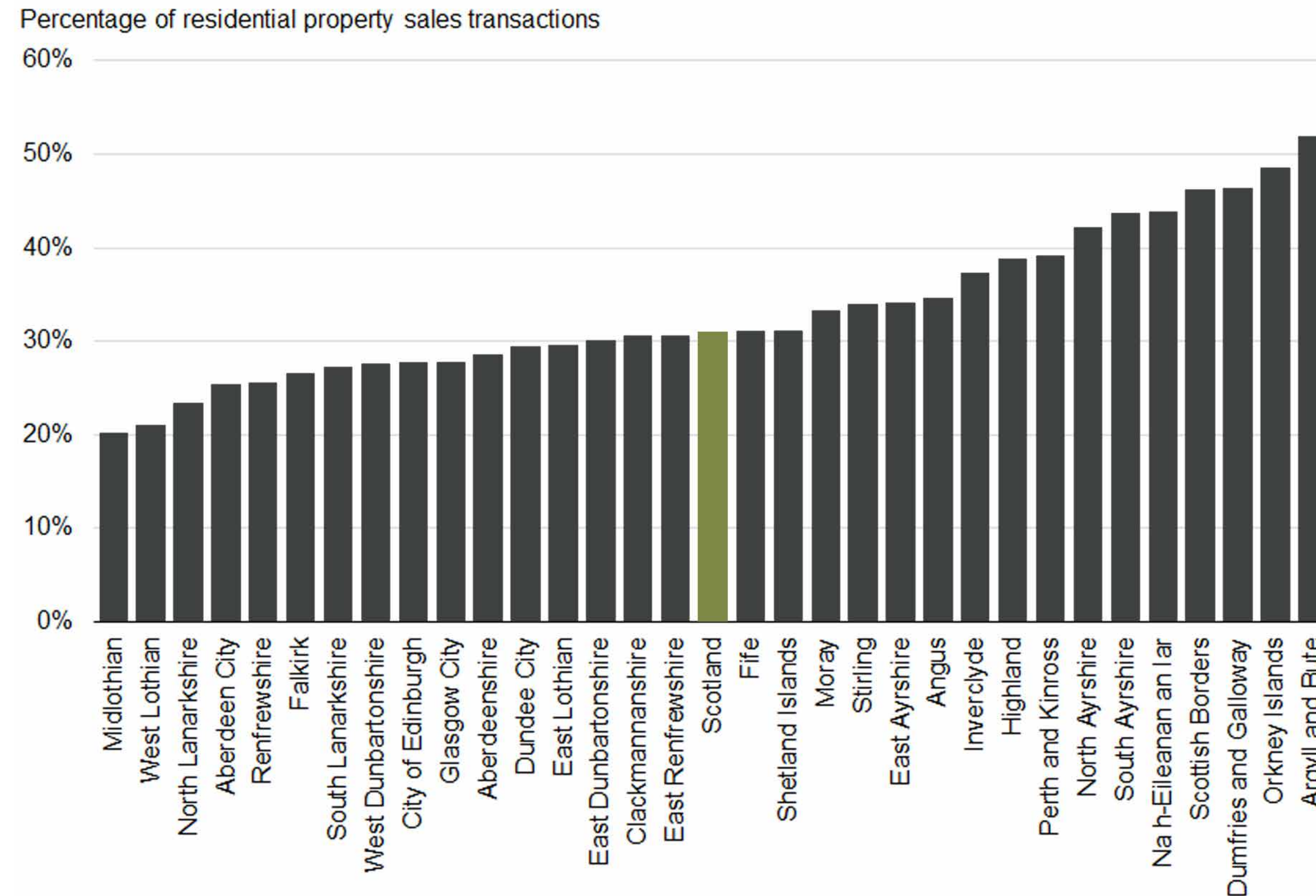
Chart 21: Percentage of residential property sales transactions by funding status, Scotland, 2003-04 to 2018-19, financial year data (online table 30)



06 Mortgage Market

Argyll and Bute saw the highest proportion of cash sales of all local authority areas in 2018-19, where more than half (52 per cent) of all residential sales were cash sales. The lowest proportion with cash sales was in Midlothian accounting for one in five (20 per cent) of residential sales (chart 22, online table 31).

Chart 22: Cash residential property sales as a percentage of residential property sales by local authority, Scotland, 2018-19, financial year data (online table 31)



06 Mortgage Market

Price bands

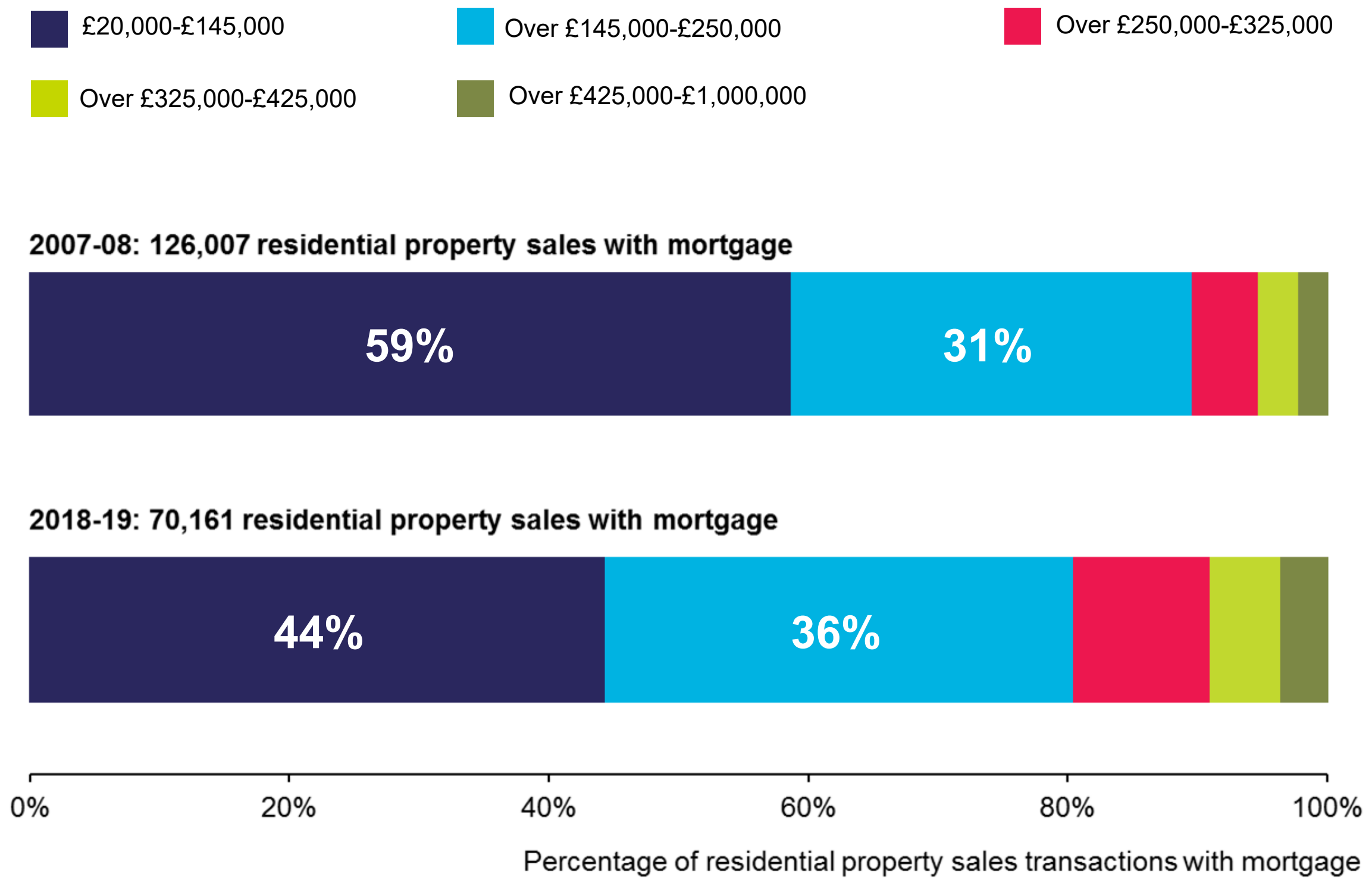
In 2018-19, four out of five (80 per cent) residential sales with a mortgage had a price between £20,000 and £250,000.

The volume of residential mortgage sales in the '£20,000 - £145,000' and 'over £145,000 - £250,000' price bands have decreased by 58 per cent and 35 per cent respectively between 2007-08 (peak year in terms of residential mortgage sales) and 2018-19.

There has been a shift toward mortgage sales with a higher value over the same period. The volume of mortgage sales over £250,000 has increased, despite the overall volume of mortgage sales having decreased by 44 per cent between 2007-08 and 2018-19.

The share of sales transactions in the '£20,000 - £145,000' price band has decreased from 59 per cent in 2007-08 to 44 per cent in 2018-19. There has been an increase in market share in every price band over £145,000 from 2007-08 to 2018-19, ranging from a rise of 5.4 percentage points in the 'over £250,000 - £325,000' price band to 1.4 percentage points in the 'over £425,000 - £1 million' price band (chart 23, online table 32).

Chart 23: Percentage of residential property sales transactions with mortgage by house price band, Scotland, 2007-08 and 2018-19, financial year data (online table 32)



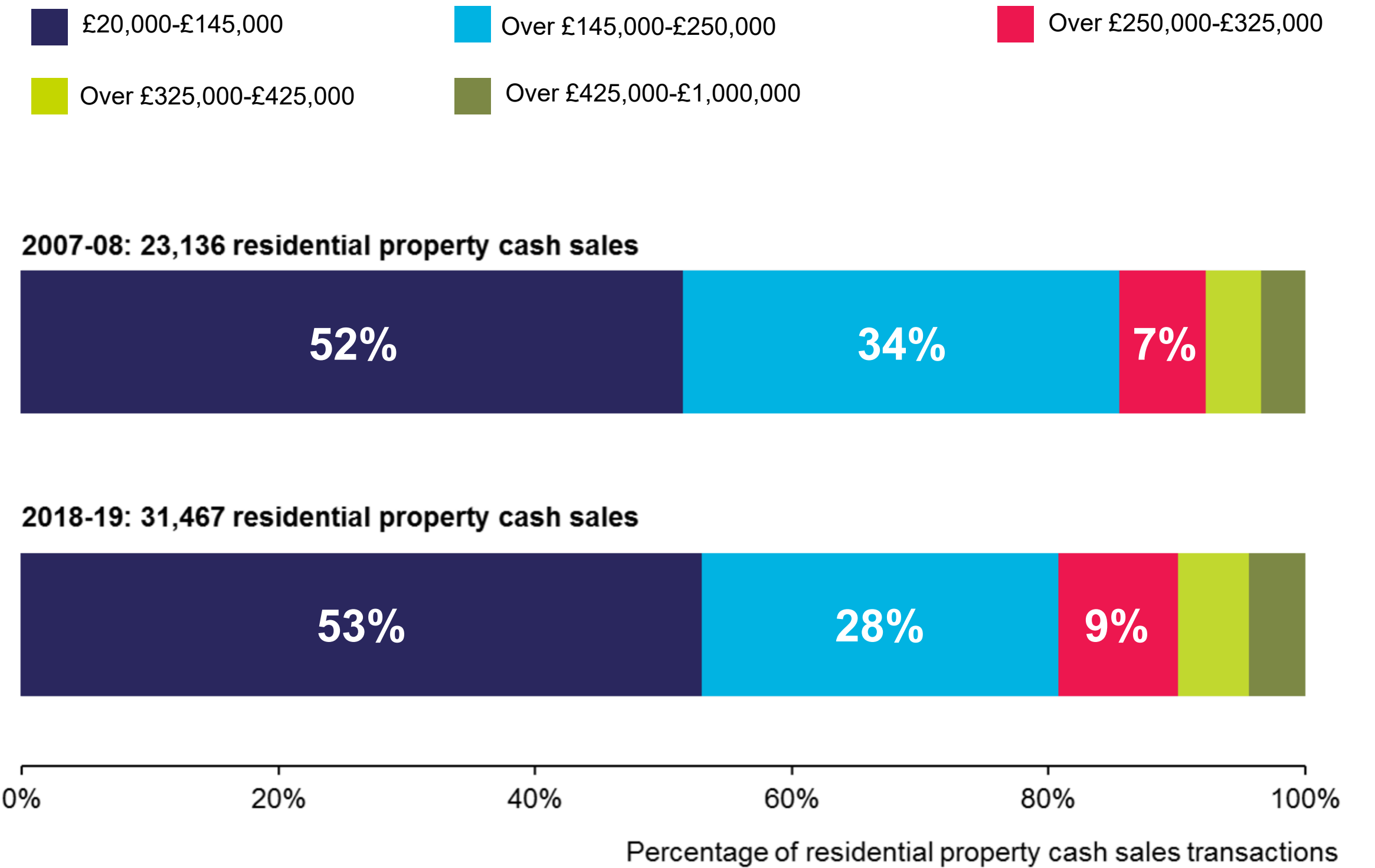
06 Mortgage Market

In 2018-19, over half (53 per cent) of all cash sales had an average price in the '£20,000 - £145,000' price band.

There has been a shift toward cash sales with a higher value from 2007-08 to 2018-19. The volume of cash sales has increased in all price bands over this time, despite the fall in overall volume of all residential sales. While cash sales of up to £250,000 have increased by 29 per cent between 2007-07 and 2018-19, the volume of cash sales over £250,000 has increased by 80 per cent. The largest increase was seen in the 'over £250,000 - £325,000' price band with an 83 per cent increase between 2007-08 and 2018-19.

The share of cash sales transactions in the 'over £145,000 - £250,000' price band has decreased from 34 per cent in 2007-08 to 28 per cent in 2018-19. There has been an increase in market share in every price band over £250,000 from 2007-08 to 2018-19 (chart 24, online table 32).

Chart 24: Percentage of residential property cash sales transactions by house price band, Scotland, 2007-08 and 2018-19, financial year data (online table 32)



06 Mortgage Market

1 Source: bankofengland.co.uk/boeapps/database/Bank-Rate.asp

2 Source: fca.org.uk/publication/data/data-bulletin-issue-11.pdf

Remortgage/additional borrowing

The volume of lending for remortgage/additional borrowing for all property types, not just residential, decreased by 63 per cent from 92,958 securities in 2007-08 (peak year in terms of the remortgage/additional borrowing market) to 34,825 in 2009-10. The volume remained at a similar level between 2009-10 and 2016-17 but with a sharp drop in 2014-15. Since 2016-17, the volume has increased by 28 per cent including an 11 per cent rise between 2017-18 and 2018-19 to 41,449 securities (chart 25, online table 33)¹¹.

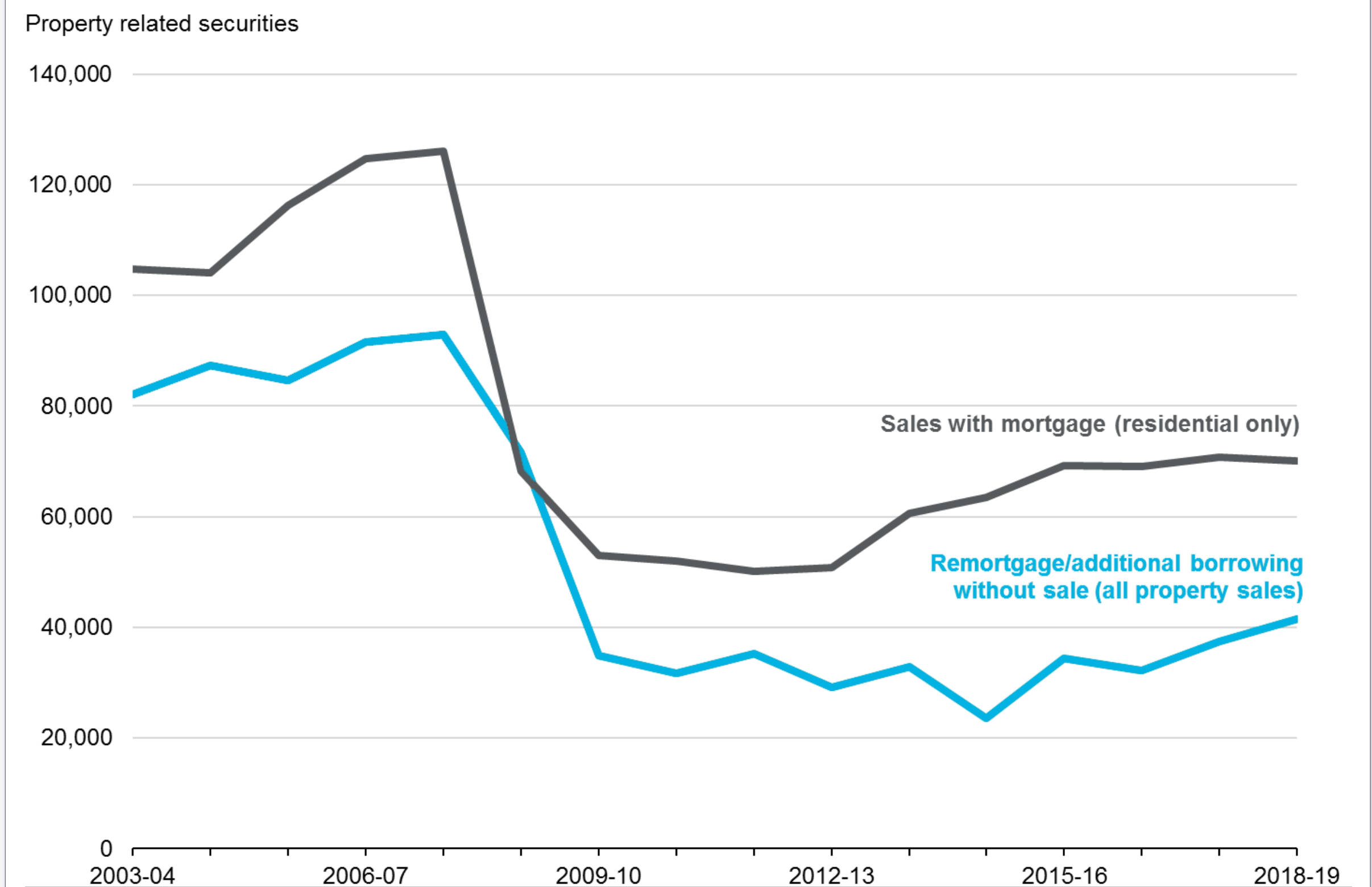
Overall, the volume of all mortgage securities registered by RoS across all property types, including both mortgage sales and additional borrowing, increased by 3.1 per cent in the last year, up from 124,818 in 2017-18 to 128,717 in 2018-19. This figure is down by 51 per cent when compared with 2006-07, when there were 264,656 securities registered in the Land Register.

Financial and economic context

The Bank of England official interest rate decreased from 5.75 per cent in July 2007 to 0.5 per cent in March 2009. In August 2016, the interest rate was changed to 0.25 per cent, increased to 0.5 per cent in November 2017 and 0.75 per cent in August 2018¹.

The mortgage market has not only been influenced by decreasing interest rates over the reporting period, but also by changes in the behaviour of lenders. The Financial Conduct Authority (FCA) discuss in their Data Bulletin (published December 2017) the “significant decline in very high loan to value (LTV) mortgage advances following the financial crisis”². The FCA details that in 2007 14 per cent (290,000 loans) of all mortgages had an LTV of over 90 per cent, which had reduced to just 1 per cent (12,000 loans) by 2011, but a gradual increase from 2014 onwards resulted in the proportion of mortgages with an LTV over 90 per cent had risen to 9 per cent (101,000 loans). More tellingly, mortgages with an LTV over 95 per cent fell from 5 per cent of the total in 2007 to just 0.4 per cent in 2016.

Chart 25: Volume of property related securities by type of borrowing, Scotland, 2003-04 to 2018-19, financial year data (online table 33)



¹¹ These figures only relate to deeds registered in the Land Register and not in the older Sasine Register. The Sasine Register was closed to security deeds from 1 April 2016, but prior to that date remortgages/additional borrowing over properties still in the Sasine Register would have also been recorded in that register. This does not apply to sales with mortgages, because all sales will be registered in the Land Register.

07 Non-Residential Market



Our non-residential overview covers commercial sales, commercial leases, and sales of titles that are classified as forestry, agriculture and land¹². The total market value of all types of non-residential sales in 2018-19 was £4.0 billion.

RoS has collected relevant data on land classes covering forestry and agriculture since December 2014. Prior to that non-residential sales were only classified as commercial or land, so sales of forestry or agriculture will have been included within either of these classifications.

Commercial sales¹³

The value of the commercial sales market in Scotland in 2018-19 was £3.3 billion, down by 11 per cent on 2017-18 but more than double the £1.6 billion it was worth in 2012-13 (the lowest point of the market in terms of value since 2003-04). The market value in 2018-19 was 47 per cent lower than in 2006-07 (the market's peak in terms of value). In 2018-19, commercial sales made up 81 per cent of the market value of all non-residential sales (chart 26, table 5 and online table 40).

The volume of commercial sales in 2018-19 remains 14 per cent lower than the sales peak in 2007-08. Since the lowest point in 2012-13 (2,663 sales), sales have increased by 74 per cent to 4,636 sales. Increases in volume have been seen every year since 2012-13, including a rise of 2.4 per cent between 2017-18 and 2018-19, the highest level since 2007-08 (online table 35).

Chart 26: Value of commercial sales, Scotland, 2003-04 to 2018-19, financial year data (online table 34)



¹² The majority of land classifications will be provided by conveyancing solicitors on RoS registration forms and can be defined as follows:
Land: areas of ground, undeveloped, commonly under two hectares
Agriculture: areas of ground over two hectares, titles with "farm" in the description
Forestry: as areas of woodland or forestry, undeveloped
¹³ Please note that the volumes of commercial sales in some areas are low and are therefore more prone to volatility.

07 Non-Residential Market

Value of city commercial sales

The city commercial market value in 2018-19 was £1.8 billion, a decrease of 7.7 per cent on 2017-18 and more than double the market value of £885 million from 2012-13, the lowest point in terms of value since 2003-04. The 2018-19 value remains 47 per cent lower than the £3.4 billion market value in 2006-07¹⁴.

In 2018-19 the value of the city commercial market equated to over half (55 per cent) of the all-Scotland commercial sales total (chart 27, online table 36).

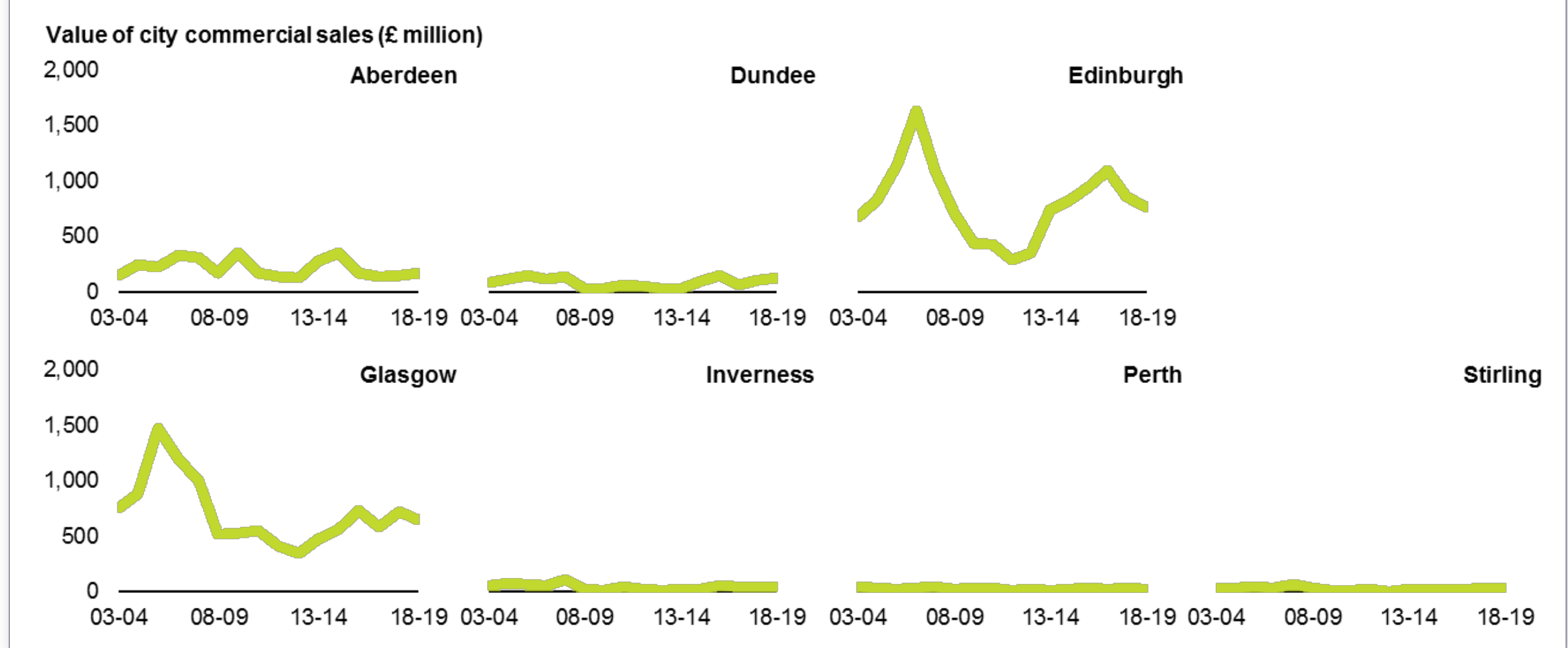
Edinburgh and Glasgow, Scotland's two largest cities, made up £1.4 billion between them, over three quarters (78 per cent) of the total city market value (£1.8 billion).

Since 2012-13, the lowest point in terms of value, all cities have shown a growth in the market value of commercial sales. This growth ranges widely from Stirling, which had a market value of £29 million in 2018-19, a figure that was almost seven times greater than the market value of £4.4 million in 2012-13, to Perth which was 3.2 per cent higher over the same time period.

Aberdeen and Dundee were the only cities to see the market value of their commercial sales increase in 2018-19 when compared with 2017-18. Aberdeen's market value increased by 15 per cent to £167 million, while Dundee's market value increased by 28 per cent to £130 million.

The annual volume of commercial sales in the seven cities for 2018-19 was 1,439, down by 1.4 per cent on 2017-18. This was 71 per cent higher than the lowest recorded volume of commercial sales, which was 840 sales in 2011-12. The 2018-19 figure was 29 per cent less than the 2,013 sales recorded at the height of the market in 2006-07 (online table 37).

Chart 27: Value of city commercial sales by city, Scotland, 2003-04 to 2018-19, financial year data (online table 36)



¹⁴ See background and contact information for a definition of city areas.

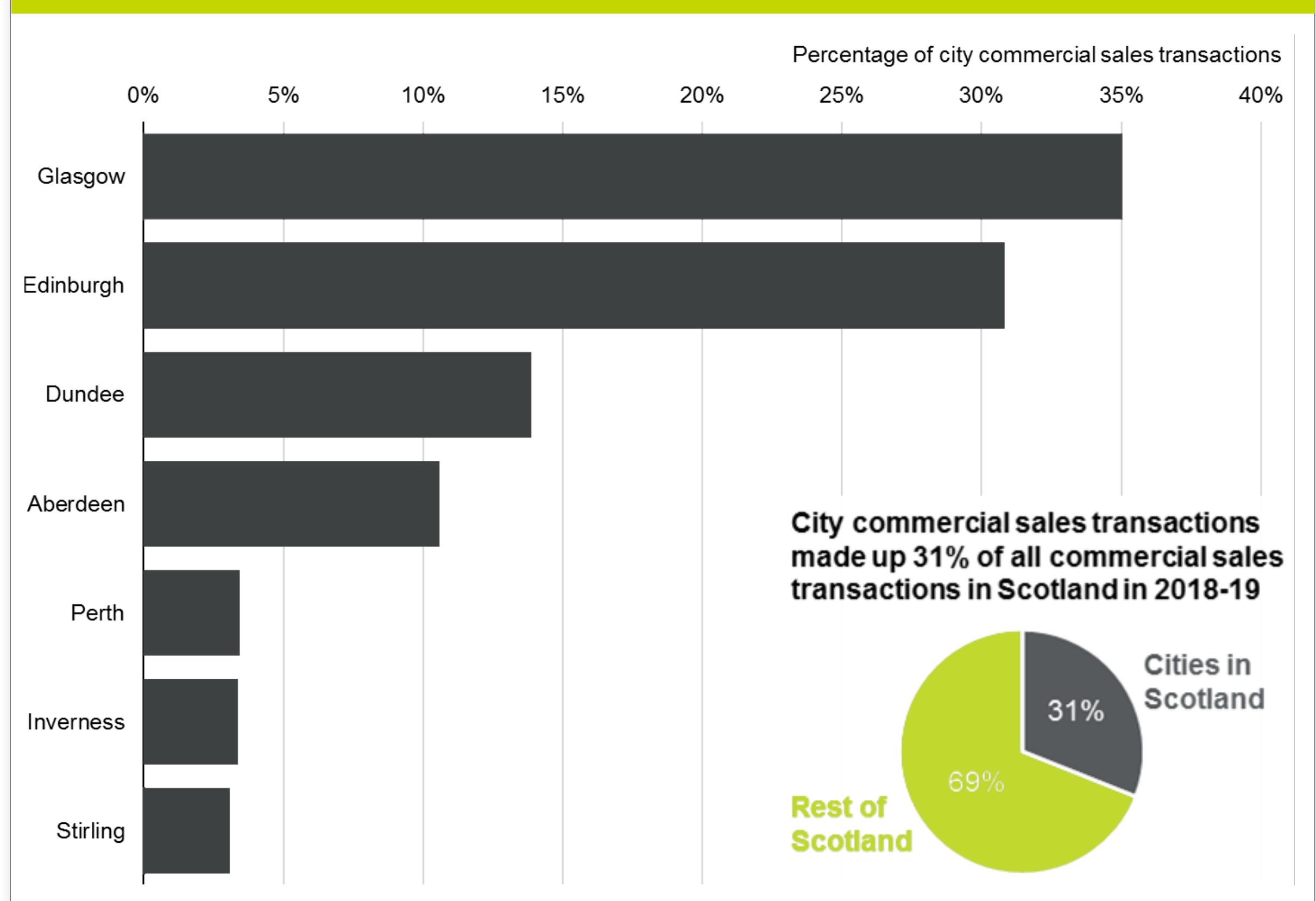
07 Non-Residential Market

Glasgow, Edinburgh and Inverness showed a decrease in volumes in 2018-19 when compared with 2017-18, with reductions of 13 per cent, 5.9 per cent and 2.0 per cent respectively. All other cities showed an increase, with Dundee and Perth having the largest percentage increases in volume in 2018-19, up by 35 per cent and 26 per cent respectively from 2017-18.

In 2018-19, all cities showed an increase from 2011-12, the lowest recorded volume of commercial sales across Scotland. Commercial sales in Dundee more than tripled between 2011-12 and 2018-19, while sales more than doubled in Perth. Dundee and Stirling were the only cities to show an increase when comparing with 2006-07 (peak year for city commercial sales transactions), with sales volumes increasing by 40 per cent and 13 per cent respectively.

Glasgow had the highest volume of city commercial sales both in 2018-19 and in every year during the period of this report. There were 504 sales in 2018-19, 35 per cent of all city commercial sales (chart 28, online table 37).

Chart 28: Percentage of city commercial sales transactions by city, Scotland, 2018-19, financial year data (online table 37)



07 Non-Residential Market

Commercial leases¹⁵

The number of commercial leases in 2018-19 was 717, a fall of 3.1 per cent when compared with 2017-18. Since the low in 2014-15, lease volumes have risen by 24 per cent from 578 in 2014-15 to 717 in 2018-19¹⁶. The volume of commercial leases was 39 per cent lower in 2018-19 than the highest point of the market in 2007-08 when there were 1,178 leases. (table 4, online table 38)

The volume of assignments of existing commercial leases has fallen by 9.6 per cent from 456 in 2017-18 to 412 in 2018-19. (online table 39)

Year	Volume of leases
2003-04	839
2004-05	763
2005-06	878
2006-07	1,052
2007-08	1,178
2008-09	806
2009-10	716
2010-11	707
2011-12	714
2012-13	679
2013-14	707
2014-15	578
2015-16	894
2016-17	842
2017-18	740
2018-19	717

Forestry, agriculture and land

In 2018-19, the combined value of the forestry, agriculture and land sectors of the property market was £778 million. This represents around one fifth (19 per cent) of the 2018-19 non-residential sales market (table 5, online table 40).

There were 13 fewer forestry sales in 2018-19 (143) when compared with the previous year (156), an 8.3 per cent decrease (online table

41). There were 123 sales recorded in 2015-16, the first full year that data was available on this classification of property.

The market value of forestry sales in 2018-19 was £82 million, compared with £96 million in 2017-18, a decrease of 14 per cent and the lowest market value of forestry sales in any of the four years for which this data is available. In 2018-19, forestry sales made up 2.0 per cent of the market value of all non-residential sales (online table 42).

Table 5: Summary of non-residential market, Scotland, 2018-19, financial year data (online table 40)

	Volume of sales	Average price	Market value (£ million)	Market value as % of non-residential total
Forestry	143	£573,785	£82.1	2.0%
Agriculture	619	£499,399	£309.1	7.6%
Land	2,816	£137,419	£387.0	9.6%
Total: Forestry, agricultural, land	3,578	£217,482	£778.2	19.3%
Commercial	4,636	£704,035	£3,263.9	80.7%
Non-residential total	8,214	£492,094	£4,042.1	100.0%

¹⁵ This relates to all commercial leases which are capable of being registered in the Land Register, i.e. with a term, or potential term, in excess of 20 years.

¹⁶ Please note that the methodology for commercial leases over previous years has excluded the majority of individual leases over car parking spaces and storage units. Multiple leases of this type out of one single commercial title are counted as one lease. This has resulted in a reduction in the volume totals, but is a better reflection of the commercial lease market since leases of this type are not considered to be true commercial leases for the purposes of this report. There were no multiple leases of this type in 2018-19.

07 Non-Residential Market

Argyle and Bute recorded the largest annual market value for forestry sales in 2018-19, with a value of £26 million, this was around a third (31 per cent) of the total forestry market value. Aberdeenshire and Highland shared the highest volumes of forestry sales in 2018-19, with 28 sales in each local authority area (online tables 41 and 42).

The market value of agricultural sales in 2018-19 was £309 million, up by 14 per cent from 2017-18. In 2018-19, agricultural sales made up 7.6 per cent of the market value of all non-residential sales.

Over the four years for which data is available, the volume of agricultural sales has remained fairly consistent at around 600 sales per year. There were 619 sales in 2018-19, an increase of 6.0 per cent on the 584 sales registered in 2017-18.

As has been the case in each of previous four years, Aberdeenshire had the largest agricultural market value in 2018-19 at £56 million, which was 24 per cent higher when compared with 2017-18 and was also the local authority with the highest volume of agricultural sales transactions in 2018-19 with 119 sales (online tables 43 and 44).

Titles registered under the category of land are the most common non-residential sale type after commercial, with a volume of 2,816 registered in 2018-19. This was a similar number of sales when compared with 2017-18. There was an 18 per cent decrease in the market value of land sales between 2017-18 and 2018-19 to £387 million. In 2018-19, land sales made up 9.6 per cent of the market value of all non-residential sales. The local authority area with the largest volume of transactions in 2018-19 was Highland with 375 land sales. The largest market value of 2018-19 was recorded in the City of Edinburgh local authority area at £61 million, down by 37 per cent when compared with 2017-18 (online tables 45 and 46).

08 Background and contact information

Registers of Scotland (RoS) records and safeguards information on all property sales through our land register, making us the sole authority for complete property data in Scotland.

Official Statistics publication for Scotland

This is an official statistics publication for Scotland. The statistics presented here on the property market in Scotland have been produced in line with the principles set out in the Code of Practice for Statistics

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Reporting period

The reporting period is 1 April 2003 to 31 March 2019. RoS has been producing property statistics for Scotland since April 2003, following the transfer of all Scottish registration counties to the Land Register of Scotland from the historic, deeds-based General Register of Sasines, which was established in 1617.

Registers of Scotland data

The statistics in this report are based on data derived from applications for registration received by RoS. Registrations normally take place within a few weeks from the date of the completion of the sale. The data is extracted based on the date of registration, i.e. the date that the application for registration is received by RoS, rather than on the date of entry contained within the application. The base data is comprehensive, capturing all changes of ownership, including cash sales i.e. without a mortgage. This base data is then subject to quality assurance to ensure that only appropriate data is included in the statistics. Further information about the quality processes in place for RoS data is available in [the quality assurance of administrative data](#) document, as published for the UK House Price Index.

Residential property sales

In relation to residential sales, only properties with a sale price of between £20,000 and £1,000,000 are included in the average house price statistics, volume of sales, and total value of sales. Registrations with a value of over £1 million are excluded to ensure that a single large value sale does not distort the average. Sales of a block of properties that have been identified from the existence of multiple addresses in a title are also excluded. Similarly, registrations with a value of less than £20,000 are excluded from the calculation to ensure that, as far as practical, a low value sale, or the sale of a part of the title to a residential property, does not distort the average. The sale of a part of a title may happen when one of the joint owners of a shared property buys out the share of the other owner. In 2018-19, there were 102,074 residential property sales across all price bands (including those less than £20,000 and over £1 million), of which 101,628 had a sale price between £20,000 and £1,000,000.

The dataset aims to exclude "non-true" sales e.g. transfer of ownership between family members, sales of a share of a property (e.g. one-half or one-third). Council Right-to-

Buy sales and sales by mortgage companies exercising their power of sale are difficult to identify, but where identified they are excluded as a potential sale of less than market value. However, the majority are likely to be included. As the Right-to-Buy scheme has now ended, we expect the number of sales affected in this way to be minimal.

Although the residential property statistics include general data on house types, they are not seasonally adjusted or mix adjusted. The house type data is produced using a house price classification system developed by RoS, which identifies properties as detached, semi-detached, terrace or flat. Our house type methodology means that it is not yet possible to allocate every property sale to a house type, so the volume of sales by house type presented in this report will not add up to the all-Scotland total.

Full information on the methodology used to compile these statistics can be found on our [website](#).

08 Background and contact information

High value residential property sales

High value sales are residential property sales with a price of over £1 million.

Non-residential property sales and commercial leases

Non-residential property sales comprise all property sales classified as "commercial", "forestry", "agriculture" or "land" when registered with RoS. RoS has collected relevant data on land classes covering forestry and agriculture since December 2014. Prior to that non-residential sales were only classified as commercial or land, so sales of forestry or agriculture will have been included within either of these classifications. There is also an additional classification of "other", covering ad hoc sales such as garages and sub-stations, which has not been included in this report.

Commercial leases comprise only those capable of being registered in the land register, i.e. with a term, or potential term, in excess of 20 years.

Cities

Cities are defined using locality data produced by the National Records of Scotland (NRS) and not a local authority area with the same or similar name. The NRS data identify the built up area of a town or city. Figures quoted for specific cities will therefore not match that of the associated local authority.

Further information about how NRS produce their settlement and locality data can be found on the NRS website at www.nrscotland.gov.uk.

Land register completion

Further information about our progress to move land and properties from the deeds-based General Register of Sasines to the map-based Land Register by 2024 can be found [here](#).

Revisions

All data included in this report is subject to ongoing data revisions as more up-to-date information becomes available. Revisions are made annually to ensure that the most recent Property Market Report reflects the most up to date data.

We want your feedback and statistics user day

We have launched a user feedback survey, which you can access [here](#). Your views will help inform the data and statistics we publish at RoS as well as shape future developments. These will include improvements to data quality and guide where we prioritise resource so that we continue to add value to the data we hold and meet customers' needs.

We will also be hosting a statistics user day in the latter half of 2019. If you are interested in finding out more about the event please contact us using the details below.

Contact information

Please contact the Land and Property Data Team at RoS with any questions, comments or feedback.

Land & Property Data Team

Email: data@ros.gov.uk

RoS provides a wide range of land and property data services, including statistical reports and publications. Further information about these services is available [here](#).

Sources

Unless stated otherwise, all statistics are based on RoS data.

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