



PROPERTY MARKET REPORT

House Price Breakdown: March-August 2023

With so much happening in the property market, we decided it was time to offer a new way to understand what's been going on – resulting in The ESPC Property Market Report. ESPC's monthly House Price Reports are always popular for offering a market overview, but we wanted to provide an in-depth look at the markets in each area ESPC covers, to inform and advise homeowners and home-hunters on the state of play. Our new Property Market report will be released twice a year, in March and September, and will examine the property markets over the previous six months in Edinburgh, East Lothian, Midlothian, West Lothian, West Fife & Kinross, East Fife, the Scottish Borders, and Dumfries & Galloway. We'll also provide an overview of the rental market for landlords and tenants too. We hope you find this new way of reporting useful in your personal property journey.



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AREA OVERVIEW



The average selling price of property decreased slightly across all regions

Over the period of March-August 2023, the average property selling price across Edinburgh, the Lothians, Fife and the Borders was £279,980. This is 1.7% less than the same time last year, showing a slight cooling in the market that we would expect to see, given the current financial climate.

The City of Edinburgh was the most expensive region in which to purchase a property, with the average selling price sitting at £298,516, however, this figure is 2.4% lower than March-August 2022. West Fife & Kinross was the most affordable place to buy a property, as the average selling price here was £210,381 (an annual decrease of 1.8%).

Two-bedroom flats in the Borders town of Hawick were the most affordable property type, selling for an average price of £76,455.

Buyers paid less over the Home Report valuation to secure chosen properties

On average, buyers in Edinburgh, the Lothians, Fife and the Borders paid 103.4% of a property's Home Report valuation during this period – 4.7 percentage points lower than the same time last year. This demonstrates how seriously buyers are taking affordability into account given the current financial climate and the mortgages market, which differs greatly to the environment of March-August 2022, when the market was much more competitive.

Aligning with this, the figures from March-August 2023 show that 79.5% of properties for sale in these areas sold for at least their Home Report valuation figure – down from 91.7% of properties the previous year.

Buyers paid the most over Home Report valuation for homes in East Lothian (bidding 104.4% on average), and the least for West Lothian properties, paying an average of 100.6%.

Homes took longer to sell, but West Fife homes sold the fastest

Properties in Edinburgh, the Lothians, Fife and the Borders took a median time of 21 days to go under offer during this period, seven days longer than the same time last year.

Buyers acted fastest in West Fife & Kinross, where homes went under offer in a median time of 14 days, while homes in West Lothian stayed on the market for 38 days. Three-bedroom houses in Dunfermline were the fastest-selling property type, taking just seven days to go under offer.

26.9% of properties for sale across all areas went to a closing date, down from 36.7% in March-August 2022.

Property sales and listings both decreased, but Leith and Dunfermline remained hotspots

The volume of property sales across Edinburgh, the Lothians, Fife and the Borders decreased 8.2% during March-August 2023, as the market showed signs of calming across the board. In the current climate for buyers, and following a period of exceptional activity levels, these figures are unsurprising.

The levels of new properties being listed for sale were also down across the board, with volumes decreasing 3.5% year-on-year.

Dunfermline had the highest volumes of both property sales and property insertions, down 13.1% and up 3.3% respectively.

Two-bedroom flats in Leith sold at the highest volumes across all areas, up 3.1% annually as the area's popularity continued to thrive. This property type was also top of the list for new property insertions, however, the levels were down 6.5% on last year.



EDINBURGH



The average selling price for property in the City of Edinburgh declined 2.4% annually to **£298,516**

Average selling prices declined in Edinburgh overall

The average selling price of property in the City of Edinburgh dropped 2.4% year-on-year during March-August 2023, to a new average of £298,516.

The city centre experienced a decline of 9.7% in comparison to March-August 2022, with an average selling price of £329,633.

The South West of the city saw its average selling price increase to £353,747, a rise of 6.8%. This new figure makes this area the most expensive place in Edinburgh to buy property.

By contrast, the West of Edinburgh was the lowest-priced area to purchase property, with an average selling price of £209,198.

Two-bedroom flats in Sighthill were the most affordable property type, selling for an average of £146,700. Other affordable areas for one- and two-bedroom flats included Gorgie, Restalrig and Craigenlinny, where buyers snapped up properties priced under the LBTT threshold of £175,000.

Edinburgh buyers paid less over Home Report valuation

In sharp contrast to recent years, buyers were paying less over the Home Report valuation for homes in Edinburgh during March-August 2023. On average, properties achieved 103.5% of their Home Report valuations, which is 4.2 percentage points lower than the same time last year.

All districts in Edinburgh experienced a drop in the amount over Home Report valuation paid by buyers, but the North West of the city saw the biggest decline, with a 5.8 percentage point difference. Buyers in this area paid an average of 102.2% of the Home Report valuation.

Properties in the East of the city achieved the highest figure overall, with buyers bidding an average of 104% over Home Report valuation. However, despite being the highest figure, this is still 4 percentage points lower than the same time last year.

80.2% of Edinburgh properties sold for at least their Home Report valuation, in contrast, 90.9% of homes achieved this during March-August 2022.

Properties in Edinburgh took **21 days** to go under offer

30.1% of homes for sale went to a closing date

Properties for sale in Edinburgh achieved **103.5%** of their Home Report valuation

Sales volumes declined **9.5%** year-on-year, while new property insertions fell 6.3%

Homes took longer to sell overall, but some areas saw homes snapped up

Overall, properties in the City of Edinburgh took a median time of 21 days to go under offer throughout March-August 2023, seven days longer than the same time last year.

Despite the slower time frame overall, some areas saw certain property types snapped up in mere days. Two-bedroom houses in Clermiston and two-bedroom flats in Polwarth both went under offer in a median time of nine days – 15 and 10 days quicker respectively than March-August 2022.

30.1% of properties for sale in Edinburgh went to a closing date, down from 37.6% last year.

Leith continued to be a property hotspot for buyers and sellers

Sales volumes decreased 9.5% year-on-year during March-August 2023, in a clear sign of the property market continuing to cool following on from several frenetic years, combined with the current financial climate potentially making things more difficult for buyers to enter the market.

Meanwhile, new properties coming to the market were also on the decline, with figures down 6.3% compared to the same time last year.

Leith continued to dominate the Edinburgh property market during March-August 2023, as it boasted the highest volume of property sales as well as the largest number of properties coming to the market. Two-bedroom flats in this popular district sold in the highest volumes, closely followed by one-beds in the same area, showing how in-demand this locale continues to be.

Family-friendly Corstorphine and Liberton also experienced high volumes of property sales, alongside the trendy districts of Trinity, Newington and Morningside.

For properties coming to the market, Corstorphine, South Queensferry, Newington and Morningside all appeared in the top five after Leith.

EAST LOTHIAN



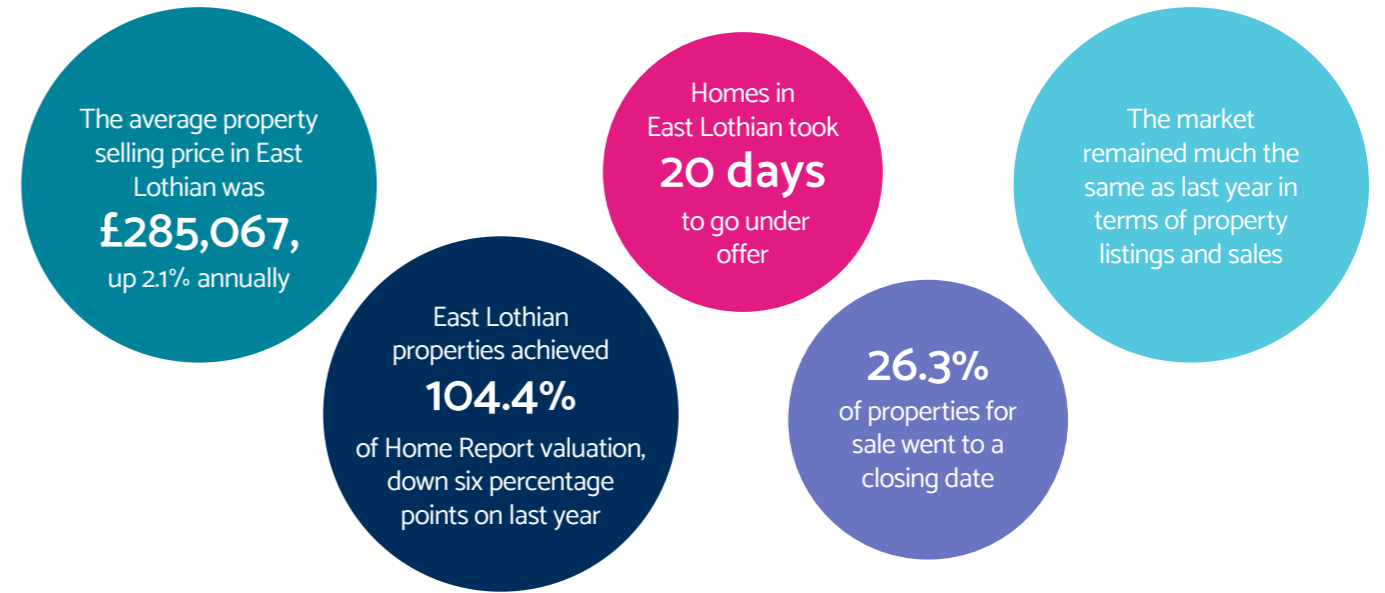
The average selling price continued to rise across East Lothian

The average selling price of properties in East Lothian rose 2.1% year-on-year during March-August 2023, to a new average of £285,067.

Despite the rise in average selling price overall, buyers were bidding less for East Lothian properties than they have been in recent years. During March-August 2023, 84% of properties for sale in East Lothian sold for at least their Home Report valuation, down from 95% of properties during March-August 2022.

On average, buyers paid 104.4% of the Home Report valuation, down six percentage points on the same time last year – a substantial difference that demonstrates the changing market we are seeing, and how seriously buyers are treating affordability in the current climate.

The most affordable type of property to buy in East Lothian was one-bedroom flats in Musselburgh, which sold for an average of £146,640, making this kind of property an excellent choice for buyers on a budget, or first-time buyers looking for an ideal starter home.



Properties took seven days longer to sell across the region

During March-August 2023, homes in East Lothian went under offer in a median time of 20 days, which is seven days slower than the same time last year. With a significantly different financial climate today in comparison to last year, it's unsurprising to see buyers taking longer to snap up homes.

Coinciding with this, significantly fewer sellers put their properties to a closing date, 26.3% of East Lothian homes for sale went to closing dates during March-August 2023, down from 42.7% the previous year.

Dunbar was the area where properties sold the quickest overall, with a median selling time of 16 days. However, if we examine the property types which were in the highest demand, three-bedroom houses in Haddington and Tranent, and two-bedroom flats in Musselburgh, all went under offer in a speedy median time of just 14 days.

Fewer properties came to market overall, but regions report wide-ranging differences

Overall, the volume of sales in East Lothian was down 0.2% annually during March-August 2023, but if we look at individual areas within the region, we can see stark differences.

Musselburgh boasted the highest volume of property sales during this period, with levels up 8.1% on the previous year. This was followed by: Haddington, where levels were down 25%, Prestonpans, down 3.4%, North Berwick, where sales volumes rose 22.7%, and Dunbar, which was down 24.2%.

Three-bedroom houses in Musselburgh sold in the highest volumes, with an average selling price of £287,100.

Properties continued to come to the market across East Lothian

The volume of new properties being listed for sale in East Lothian saw no real change during March-August 2023. A slight annual increase of 0.6% means the market was largely the same as the previous year, with no material change to report.

Musselburgh experienced the most properties coming to the market, but again this was only a slight increase on the previous year, with a 0.7% rise. Musselburgh's insertion rate was followed by: Prestonpans, where new property listings were up 37.3%, Haddington, where volumes were down 24.7%, Dunbar, which was down 17.6%, and North Berwick, with levels down 11.7%.

As we can see from the data, there were ebbs and flows with the levels of properties coming to the market, with some areas more popular for property listings than sales.

MIDLOTHIAN

The average selling price for property in Midlothian was **£259,749** – up 3.4% annually

Midlothian homes took a median time of **23 days** to go under offer, 11 days slower than last year

24.9% of properties for sale went to a closing date

Sales volumes decreased **9.9%** while new property listings fell 7.3%

Properties achieved **103%** of their Home Report valuation on average

Average property selling prices increased in Midlothian

The average selling price of property in Midlothian experienced an annual increase of 3.4% during March-August 2023, the new average selling price for the region is now £259,749.

The increasingly popular town of Gorebridge was the most affordable area in Midlothian, with property selling for £232,922 on average. Meanwhile, the historic village of Roslin was the most expensive place to purchase a home, with an average selling price of £303,823.

Two-bedroom flats in first-time buyer-friendly Dalkeith were the most affordable properties on the Midlothian market, selling for an average of £143,613.

Much like the other regions included in this report, buyers in Midlothian bid less for properties during March-August 2023 than in previous years. Homes in the region achieved 103% of their Home Report valuation on average, down 4.9 percentage points on last year. 82.8% of properties sold for at least their Home Report valuation, down from 95.9% during the same time last year, reflective of the cooling seen across the market.

Properties took longer to go under offer, but Dalkeith saw homes snapped up

Midlothian properties took 11 days longer to go under offer during March-August 2023 when compared to the same time last year. The new median time was 23 days, in comparison to just 12 days in 2022.

However, homes in Dalkeith and Loanhead bucked this trend, with a median selling time of 18 days. Two-bedroom houses in Dalkeith were the fastest-selling properties across Midlothian, going

under offer in just 14 days – however this is three days slower than the same time last year.

As seen across much of the wider market, fewer sellers set closing dates for their properties during March-August 2023. 24.9% of Midlothian homes went to a closing date, down from 39.1% last year, showing how much the market has cooled in recent months. Properties in the village of Danderhall were in the highest demand, with 40% of homes for sale here going to a closing date.

Sales volumes declined overall, but family homes still proved popular

The volume of property sales in Midlothian experienced a decline in March-August 2023, with levels decreasing 9.9% year-on-year.

The popular town of Bonnyrigg had the highest volume of sales, with levels increasing 9% compared to the same period last year. The average selling price of property in Bonnyrigg was £244,426, making it a prevalent choice for family buyers.

Family buyers were also dominant in Penicuik, as three-bedroom houses in this postcode area were the most popular property type to sell across Midlothian. The sales volume of this property type increased 8.3%, and the average selling price was £232,730.

Fewer properties came to the market across Midlothian

Midlothian experienced a 7.3% decline in the number of new properties coming to the market during March-August 2023, which balances the decline in sales volumes.

Again, in line with the figures seen in the sales volumes, Bonnyrigg had the highest number of properties listed for sale across Midlothian, up 1.9% on the same time last year.



WEST LOTHIAN

West Lothian's average selling price declined by almost 10%

The average selling price of property in West Lothian experienced a decrease of 9.9% during March-August 2023 in comparison to the same period last year, with the new average at £228,353.

East Calder was the region's most expensive area to buy property, with an average selling price of £320,407. Meanwhile, Bathgate was the most affordable area, where properties sold for an average of £183,477.

Buyers in this area bid significantly less than in recent years to secure a property, during March-August 2023, West Lothian properties achieved 100.6% of their Home Report valuation, down 6.9 percentage points on the same time last year.

In March-August 2022, 93.3% of properties for sale in West Lothian sold for at least their Home Report

valuation, however this year, this figure has fallen to 68.2%.

Properties took longer to sell, but Broxburn homes flew off the market

Homes for sale in West Lothian went under offer in a median time of 38 days during March-August 2023, 26 days slower than the same time last year. The region has experienced a cooling in comparison to a remarkable period of activity over the past few years, but the reasons for this remain to be seen in the months ahead.

Properties in family friendly Broxburn, however, were snapped up by keen buyers in a median time of just 12 days, four days quicker than the same time last year.

17.5% of properties for sale went to a closing date, down from 35.5% in March-August 2022.

Sales volumes declined across West Lothian

The volume of property sales in West Lothian decreased 8.1% year-on-year during March-August 2023, as demand for the region began to wane.

Livingston was the area with the highest volume of sales, with levels up 3.2%. The average property selling price here was £211,505, making it a good choice for families. Coinciding with this, three-bedroom houses in this area were the most popular type of property to sell across West Lothian overall, but the volume of sales was down 26.7% year-on-year.

New property listings increased across the region

The level of new property listings coming to the market in West Lothian increased 14.7% annually during March-August 2023. Livingston was the area with the most properties listed for sale, with levels rising 3.2% compared to the same time last year.



WEST FIFE & KINROSS

The average selling price of property in West Fife & Kinross decreased 1.8% during March-August 2023, to **£210,381**

Properties achieved **103.4%** of their Home Report valuation, down 5.2 percentage points

West Fife & Kinross homes took **14 days** to sell

Sales volumes declined **15.7%**, while new property listings saw no change

22.3% of homes went to a closing date

Rosyth was the region's most affordable area

Average selling prices declined overall, while Rosyth and Dunfermline offered affordability

The average selling price of property in West Fife & Kinross declined 1.8% annually during March-August 2023, taking the new average to £210,381.

Rosyth was the most affordable area in West Fife & Kinross, with an average property selling price of £141,370, while one-bedroom flats in Dunfermline were the most budget-friendly overall, selling for £97,678 on average.

Overall, West Fife & Kinross saw extremely high levels of demand in recent years, likely due to its proximity to Edinburgh and good commuter links, but with the gradual decline in working from home combined with the current financial climate, we may be seeing a return to pre-pandemic levels of demand, with buyers paying less than before to secure a property in this area.

This can be seen in the amounts over Home Report valuation that buyers were willing to bid. During March-August 2023, properties for sale in West Fife & Kinross achieved 103.4% of their Home Report valuation, down 5.2 percentage points on the previous year. 77.6% of homes for sale here sold for at least their Home Report valuation, down from 95.5% in March-August 2022.



Properties took longer to sell overall, but Dunfermline homes were snapped up

Homes in West Fife & Kinross had a median selling time of 14 days during March-August 2023, two days slower than the same time last year but still very speedy in comparison to neighbouring regions.

Properties sold the fastest in Dunfermline at 13 days, again two days slower than the same time last year. Three-bedroom flats in this area, however, were snapped up in just seven days – three days faster year-on-year.

22.3% of West Fife & Kinross properties went to a closing date, down from 34.7% last year.

Sales volumes decreased across the region

Overall, the volume of property sales fell 15.7% during March-August, showing a gradual calming of the market in comparison to recent years.

Dunfermline was the area with the most property sales, but volumes were still down 13.1% year-on-year. Three-bedroom houses in Dunfermline were the most popular properties to sell.

The village of Cairneyhill, west of Dunfermline, saw the biggest increase in property sales, with an annual increase of 66.7%.

No change in new property listings overall

The level of new property listings in West Fife & Kinross saw an inconsequential decrease of 0.4% during March-August 2023, amounting to no real change in this area of the market.

In Dunfermline, the number of new properties coming to the market increased 3.3% overall.

EAST FIFE



East Fife properties took **28 days** to go under offer

20.6% of East Fife properties went to a closing date

Sales volumes increased **13.3%**, while new property listings rose 7.3%

Properties sold for **103.6%** of Home Report valuation, down 4.3 percentage points

The average selling price for property in East Fife was **£281,811** - 2.7% higher annually

St Andrews was the area with the most properties for sale, and the most properties sold

Average selling price increased, but buyers bid less overall for homes in East Fife

The average selling price of property in East Fife experienced an annual increase during the period of March-August 2023, rising 2.7% to a new average of £281,811. This region has experienced ongoing popularity and demand in recent years, as buyers have sought a more relaxed pace of life away from the big cities of the Central Belt, and demand looks to be continuing, however the frenzied demand of the last three years has calmed somewhat.

This can be seen in the levels over Home Report valuation that buyers were willing to pay for properties in East Fife, on average, properties sold for 103.6% of their Home Report valuation, down 4.3 percentage points on last year. During March-August 2023, 72.1% of properties for sale in the

region sold for at least their Home Report valuation, down from 84% during the same time last year.

Historic St Andrews was the most expensive place in East Fife to purchase property, with an average selling price of £485,810. Kirkcaldy was the most affordable area, where average selling prices sat at £180,606.

Properties took longer to sell, and fewer closing dates were set

The median time for East Fife properties to go under offer was 28 days during March-August 2023, which is nine days slower than the same time last year.

Properties in picturesque Anstruther were snapped up the fastest, with a median selling time of 20 days. Fewer homes went to a closing date during this period too, 20.6% of properties, compared to 26.7% in March-August 2022.

Sales volumes increased across the region

East Fife experienced a bump in the volume of properties selling during March-August 2023 in comparison to the same time last year, with levels up 13.3%.

Many individual areas throughout the region also saw good increases in the volumes of property sales, but this wasn't the case for every district. St Andrews experienced the highest volume of sales, up 9.4% year-on-year, while Kirkcaldy's levels increased 15.8% and Cupar's property sales rose 18.8%. By contrast, while Anstruther was the fourth most-popular place to buy property in East Fife, its sales volumes declined 14.3% year-on-year.

More properties came to the market throughout East Fife

East Fife saw a strong boost in the number of new properties being listed for sale during March-August 2023, with insertions up 7.3%.

St Andrews had the highest number of properties listed for sale, with the figures increasing 4.3% annually. It was followed by: Kirkcaldy, where levels rose significantly, up 71.4%, Cupar, where new property listings declined 29% annually, Anstruther, up 12.5%, and Crail, up by a substantial 87.5% compared to last year.

SCOTTISH BORDERS



Average selling price decreased across the region

The average selling price of property in the Scottish Borders was £219,452 during March-August 2023 – this is 6.1% lower than the same time last year.

Melrose was the region's most expensive area to purchase a home, with an average property selling price of £347,133. By contrast, Hawick was the most affordable place, as properties here sold for an average of £138,533.

Borders buyers paid less over Home Report valuation compared to 2022

Overall, buyers in the Borders chose to bid less over the Home Report valuation for properties than they did last year, on average, properties in the region achieved 102% of their Home Report valuation, 5.8 percentage points less than the same time last year.

By contrast and aligning with the property selling price for the area, properties in Melrose attained 109.9% of their Home Report valuation – the highest level paid across the Borders.

71.2% of properties for sale in the Borders sold for at least their Home Report valuation, down from 88% of properties in March-August 2022.

Homes took longer to sell across the region, but some areas saw a brisker pace

Homes for sale in the Borders went under offer in a median time of 20 days during March-August 2023, which is five days slower than the same time last year.

Some areas saw properties disappear off the market at a much faster rate, however, homes in sought-after Melrose went under offer in a median time of only seven days, while two-bedroom flats in Kelso were the fastest-selling property type overall, going under offer in 11 days.

Much like the rest of the wider Scottish market, fewer homes in the Borders went to closing dates during March-August 2023: 12.8%, down from 22.9% in 2022. By contrast, 30% of properties for sale in Melrose went to a closing date, clearly highlighting the demand for homes in this locale.

Sales volumes fell across the Borders as demand cooled

Demand for rural and countryside homes declined during March-August 2023, as the volume of Borders property sales decreased 4.3% in comparison to the same time last year.

Kelso was the most popular place with property purchasers, with the highest volume of sales recorded across the region – and this volume was up 5.4% year-on-year. Galashiels followed closely behind, however sales volumes here declined 1.8% compared to March-August 2022. The average selling prices for these areas were £219,788 and £161,830, respectively, hinting at very different buyer profiles in the Borders market.

Three-bedroom houses in Kelso were the most popular property type to sell across the region during this period, however sales volumes of this property type had declined 10% compared to the same period last year.

Borders saw a rise in new property listings recorded

The volume of new properties coming to the market in the Borders increased 6.3% annually during March-August 2023, hinting at a changing pattern of buyers relocating out of the area when contrasted with the property sales figures.

Kelso and Galashiels experienced the highest level of properties listed for sale, up a significant 34.5% in Kelso, and down 4.1% in Galashiels.



The average property selling price in the Scottish Borders was **£219,452** down 6.1% annually

Sales volumes decreased **4.3%**, while new property listings rose 6.3%

Properties took **20 days** to go under offer, five days longer than last year

Buyers in the Borders paid **102%** of Home Report valuation, on average

12.8% of properties for sale in the Borders went to a closing date

DUMFRIES & GALLOWAY



Editorial credit: John Messingham / Shutterstock.com

Average selling price decreased across the region

The average property selling price in Dumfries & Galloway fell 6.5% annually during March-August 2023, with the new average sitting at £174,029.

Kirkcudbright was the most expensive place in the region to buy a property, with the average selling price here reaching £221,403. Dalbeattie was the most affordable area, as properties here sold for an average of £146,820.

The town of Moffat experienced the biggest rise in average selling price compared to the same time last year, with a rise of 5.1% taking the average to £211,000.

Buyers bid less over the Home Report valuation to secure properties

In line with much of the wider market in this report, buyers in Dumfries & Galloway chose to bid less over the Home Report valuation for properties than in previous years. During March-August 2023, buyers paid an average of 101.1% of the Home Report valuation, down four percentage points on the same time last year.

Buyers paid the most over the Home Report valuation to secure a home in sought-after Kirkcudbright, as properties here achieved 105% of their valuation on average.

68.3% of homes for sale in Dumfries & Galloway sold for at least their Home Report valuation, down from 77.6% the previous year.

The average selling price of property in Dumfries & Galloway was **£174,029** during March-August 2023, down 6.5% year-on-year.

Properties took **38 days** to go under offer

The volume of property sales in Dumfries & Galloway increased **12.6%**, year-on-year

Buyers paid **101.1%** of the Home Report valuation, down four percentage points

Homes took ten days longer to sell, with fewer closing dates set

Properties in Dumfries & Galloway went under offer in a median time of 38 days during March-August 2023, ten days slower than the same time last year.

Homes in the Gatehouse of Fleet area sold the fastest, with a median selling time of 26 days, three days slower than March-August 2022.

15.5% of homes for sale in Dumfries & Galloway went to a closing date, down from 26.7% in March-August 2022 – however, this decline brings the current figure closer to that seen in March-August 2021, when 18.2% of homes had a closing date set.

Homes in Dalbeattie and Dumfries Town were in high demand with house-hunters, as 20% of Dalbeattie homes, and 19% in Dumfries Town had closing dates set.

Sales volumes increased across the region as buyers took action

The volume of property sales in Dumfries & Galloway increased 12.6% year-on-year during March-August 2023, perhaps due to this region offering a more affordable alternative to surrounding locations, along with highly-rated schooling and amenities.

Dumfries Town was the most popular area to purchase a home in, and the volume of property sales in this location rose 17.4% annually. This was followed by: Castle Douglas (where levels rose 26.3%), Kirkcudbright, up 43.8%, Moffat, where sales volumes rose significantly by 83.3%, and Dalbeattie, where sales volumes were down by 16.7%.

Three-bedroom houses in Kirkcudbright sold in the highest volumes throughout Dumfries & Galloway. The average selling price for this property type was £218,628.

Significant increases in properties coming to the market across Dumfries & Galloway

The number of new properties being listed for sale in Dumfries & Galloway increased 30.1% annually during March-August 2023.

Castle Douglas had the highest number of properties being listed for sale, and the level of new property listings here rose by 88.9% annually. The other areas that saw high levels of properties coming to the market were: Kirkcudbright, where insertions rose 52.4% year-on-year, Dumfries, where levels fell 3.4%, Thornhill, up 240% annually, and Lockerbie, which declined by 6.3%.

15.5% of properties for sale went to a closing date

New property listings increased **30.1%** across the region

SCOTTISH RENTAL MARKET

The average rent in
Edinburgh was
£1,477
during April-June
2023

The average
time to let in
Edinburgh was
14 days

The highest
rental yield was
EH8
(3 bed)

According to the latest Citylets report on the Scottish rental market, the second quarter of 2023 (April-June 2023) was one which saw demand outstrip supply once more, and rental rates rise by double digits across the board, despite the introduction of the Scottish Government's 'rent cap'.

Average rental rates for new tenancies rose in many areas of Scotland by double digits for the third time in a row, as the impact of the Cost of Living (Tenant Protection) (Scotland) Act 2022 took hold. To offset the freeze in rental rates for existing tenancies, compounded by continuing rises in mortgage rates, many landlords have been raising the rents to maximum levels for new tenancies, exacerbating the supply-demand imbalance that has affected the market so severely in the last few years.

The new average rental rate for Scotland's private rental sector sat at £1,081 per month, however the rate of growth eased to 11.4% year-on-year from 12.4% in the first quarter of 2023. In Edinburgh, the rental rates jumped 15.1% year-on-year to a new average of £1,477, while in Glasgow, a similar increase of 14.4% saw rents rise to an average of £1,141. Across Scotland, two-bedroom properties saw the biggest increase, with a 12.8% rise taking the average rental rate of this property type to £1,006 per calendar month.

Supply and demand remained an issue for the rental market, with stock levels down 10% year-on-year as we head into Q3, traditionally the busiest period of the year for new tenancies. Agents and landlords reported an average of 100 enquiries per property advertised, demonstrating how strong the demand continued to be for quality rental properties across the country.

The average time to let across Scotland was 19 days, with one-bedroom properties letting the fastest in 16 days.

Average rents in Edinburgh

During the second quarter of 2023, the average rent for property in Edinburgh jumped 15.1% to £1,477. Aligned with the Scotland-wide average, two-bedroom properties in the Capital experienced the biggest rise in rental rates, with a 17.4% increase taking the average rate to £1,362.

A lack of available stock, combined with the rent cap pushing landlords into raising rates substantially for new tenancies to make up the shortfall, can be attributed as the cause for these increases.

Across the board, properties in Edinburgh have seen substantial growth in rental rates, but especially for those looking at renting out a property in the Capital as a longer-term venture, on average, rental rates have grown by 80.6% for Edinburgh properties over the last 10 years, demonstrating how strong an investment this can be.

The area with the highest rental yield was EH8, for a three-bedroom property.

Time to let in Edinburgh

42% of properties for let in Edinburgh were let within a week, and the average time to let for properties in Edinburgh was 14 days, one day faster than the same time last year.

One-bedroom properties were the most in-demand with tenants, with an average time to let of nine days, four days quicker year-on-year. 95% of one-bedroom properties for rent in Edinburgh were let within the month, with 52% letting within just a week of appearing on the market.



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