

The index is compiled quarterly from valuations prepared by professional staff in the Knight Frank Edinburgh office and is based on actual sales evidence.



# Edinburgh City Index

Q3 2019

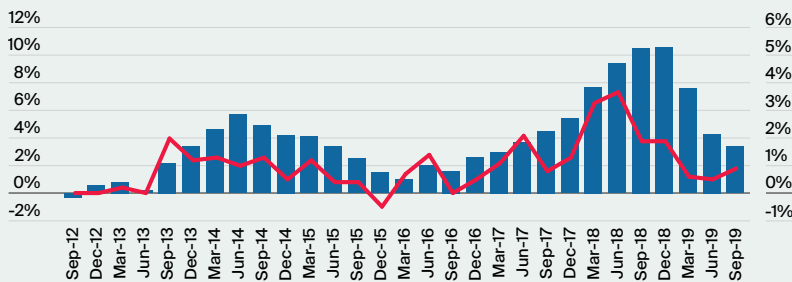
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## EDINBURGH HOUSE PRICES Q3 2019

<b>ANNUAL CHANGE</b>	HOUSE <b>4.2%</b>	FLAT <b>2.0%</b>	INDEX <b>3.4%</b>
<b>INDEX</b>	HOUSE <b>102.5</b>	FLAT <b>122.6</b>	INDEX <b>107.0</b>

### Edinburgh price change (%)

■ Annual (LHS) ■ Quarterly (RHS)

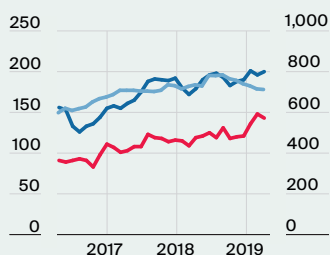


Source: Knight Frank Research

### Prime sales pick up

Monthly sales volumes

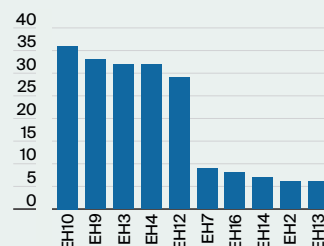
■ Over £1m (LHS) ■ £750k to £1m (LHS) ■ £500k to £750k (RHS)



Source: Registers of Scotland

### Edinburgh's £1 million-plus market

Number of sales since Jan 2018, by postcode



Source: Knight Frank Research/ Registers of Scotland

## Market update

An imbalance between supply and demand contributed towards a 0.9% increase in prime values between July and September, though annual price growth has moderated from recent highs.

Values are 3.4% higher than a year previously, our index for the city shows. Whilst this compares favourably to prime regional markets across the UK, where prices have fallen 1.7% on average, it is down from 10.5% annual growth at this point last year.

Political rhetoric has ramped up in recent months, and has moderated price growth. So has a lack of urgency among some buyers, though agents report encouraging sales activity, particularly for properties that are considered best in class.

The number of transactions for homes valued above £500,000 has risen, by 4.5% year-on-year over the 12 months to July 2019, latest figures from the Registers of Scotland shows. Some of the most notable growth has come from higher price bands, with an 11% annual rise in sales between £750,000 and £1 million, and 24% growth in sales above £1 million.

## Demand builds

Knight Frank data suggests demand remains strong. During the last quarter there were 7.5 new applicants for every new instruction, up from 5.7 in Q3 2018. The strongest demand was in the market up to £750,000, where there were 8.7 buyers per new instruction.

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**Political rhetoric has ramped up in recent months, and has moderated price growth. So has a lack of urgency among some buyers.**  
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OLIVER KNIGHT  
 ASSOCIATE



The number of £1 million-plus deals in Edinburgh was 24% higher year-on-year over the 12 months to July 2019. Edinburgh accounted for 64% of all such deals in Scotland over the period, with the EH10 and EH9 postcodes home to the greatest number of sales.

## OUTLOOK

A shortage of available properties being listed for sale means the imbalance between supply and demand in the city is likely to continue, especially given the cautious approach being employed by some vendors as uncertainty surrounding Brexit mounts.

Buyer demand remains strong, however, evidenced by

the continued growth in prime sales volumes, and competitively priced stock will continue to trade well. Agents note that off-market deals, where properties are offered to buyers and sell before being launched formally, have become more commonplace within higher price brackets, and this is expected to continue.

### PRIME EDINBURGH PRICE CHANGE Q3 2019

	EDINBURGH	£500K TO £1M	£1M TO £1.5M	£1.5M TO £2M	OVER £2M
3 MONTH	0.9%	1.0%	1.0%	0.9%	0.0%
6 MONTH	1.4%	1.3%	2.2%	1.0%	0.0%
1 YEAR	3.4%	2.7%	5.4%	4.4%	3.7%
3 YEARS	19.4%	15.5%	22.6%	21.8%	8.0%

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

#### Edinburgh Sales



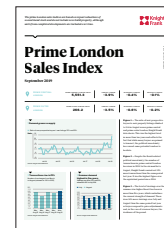
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#### Residential Research

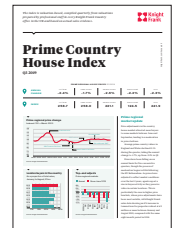


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