

Average house price in Edinburgh rises

Edinburgh lawyers Lindsays have recorded a 2.8% rise in house prices in the capital, and say that the market is resetting amid political turmoil and the cost of living crisis.

The average house price in Edinburgh has reached £325,000 and Lindsays say that there is strong demand in spite of the economic uncertainty. The average price rose from £316,000 in 2021.

Despite the interest rate spike triggered by then Chancellor of the Exchequer, Kwasi Kwarteng, and the market being weighted to sellers, the firm says that offers are now more commonly close to the valuation given in the Home Report.

Andrew Diamond, Partner and Head of Residential Property at Lindsays, said: "We're not seeing any lack of appetite among buyers and sellers. What we are experiencing, though, is a resetting of the market.

"Predictions of doom and gloom have not materialised and the market has settled down, as we expected it would. The outlook may, to some, have seemed dreadful in the very short term, but has improved as time has moved on. Interest rates have already started to settle. Mortgage rates are dropping slightly.

"What we might see in early 2023 is a much more stable, tradeable market, with price at a slightly less frothy level

but with a greater ability for buyers and sellers to actually trade – to get things done.

“Ultimately, it’s important to remember that a balanced market is a good market, particularly if you are both a buyer and a seller.”

One change coming through strongly is a decline in the number of purchases being agreed subject to sale of the purchaser’s current property, a trend which had become stronger as prices skyrocketed in recent years. This means more people are selling their homes before agreeing deals to buy another.

Mr Diamond added: “Will we see some heat come out of the market? If you mean some of the extreme high prices we’ve seen in recent years, then absolutely.

“That’s not a bad thing in most peoples’ eyes. If what you end up with is a more tradeable position, that’s good.

“There’s definitely a move to being a bit more traditional about the ordering of your sale and purchase. I don’t see that reversing in the short-term.”

Registers of Scotland figures show the average price of a property in Scotland in October – the most recent month analysed – was £194,874, an increase of 8.5% on October 2021. Prices rose by 1.1% between September and October.



Andrew Diamond Head of Residential Property at Lindsays