

**- EDINBURGH HOUSE PRICE REPORT: APRIL 2010 -**

- **Average house price in April stands at £224,931 following an annual rise of 11.6%.**
- **Number of houses selling rises by 37% annually, but remains below levels witnessed prior to the credit crunch.**
- **Average selling time shortens to 15 weeks, six weeks lower than in April 2009.**
- **Average premium on properties sold at Offers Over rose to 10.0% - up from 4.9% in April 2009 and the highest level recorded since October 2008.**
- **Activity from sellers also increased, with the number of properties brought to the market up 67% annually.**

House prices in Edinburgh rose by 11.6% annually last month according to latest figures from ESPC. The average price of a property sold in the Capital during April stood at £224,931, up from £201,497 during the same period last year. The rise marked the second consecutive month in which annual inflation had exceeded 10%. The rise in buyer activity witnessed over the last nine months continued during April. Over 450 homes were sold in Edinburgh last month – an annual increase of 37% - with confidence gradually returning to the market.

With demand up, sellers were often able to have a little more success in negotiations. The average premium paid on a property sold at Offers Over stood at 10% last month, the highest level since October 2008 and up from a little less than 5% in April 2009. Selling times showed significant improvement – down from 21 weeks in April 2009 to 15 weeks this year.

Despite the levels of growth David Marshall, business analyst with ESPC said there were still reasons for sellers' optimism to be tempered: "House prices increased by more than 10% annually for the second month in a row, but this level of inflation is likely to cool in coming months. The number of homes selling is rising, but it is still some way below what would be considered 'normal' levels. On the other hand the number of homes coming onto the market has risen at a faster rate, and this increase in supply should help to rein in price rises in the months ahead.

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That having been said, sellers are generally finding the market more favourable than was the case at this time last year with homes selling quicker and more sales being completed.

With the election now behind us there are two main issues facing the housing market. The first is an increase in liquidity in the mortgage markets where the large deposits required to secure funding remain a significant barrier for many people looking to buy – particularly first time buyers. Certainly there is no desire to return to the excessive lending we saw for much of the last decade, but a middle ground should be reached to allow those looking to buy an achievable means to do so.

Beyond that there is still a significant need to increase the amount of affordable housing that is available, and that will mean stimulating activity in the new-build sector. The number of properties being built fell sharply after the credit crunch and over the longer term this decline will have to be reversed to help those looking to get onto the property ladder. The last few months have seen steady improvement in the housing market, but there is still work to be done to ensure this continues.”

***-ENDS-***

**Notes to editors**

- ESPC is the market leader for property marketing in East Central Scotland
- 559 words
- All figures quoted are based on all residential properties handled by ESPC. Figures relate to City of Edinburgh unless otherwise stated.
- ESPC were founded in 1971 and comprise around 200 member solicitor estate agents across East Central Scotland.
- Previous press releases issued by ESPC can be viewed by visiting the Market Watch section at [espc.com](http://espc.com)
- For more information or to arrange an interview contact *0131 624 8000*