

For Immediate Release: 11 February 2009

- EDINBURGH HOUSE PRICE REPORT: FEBRUARY 2009 -

- **Year-on-year fall of 2.5% takes the average price of a home in Edinburgh to £194,678.**
- **Market showing signs of prices holding.**
- **Number of homes selling down by 55% to 212.**
- **The average premium achieved on properties marketed at Offers Over fell from 6.8% in January to 4.3% in February.**
- **The average time to sell a property was just over 107 days (100 days in February 08).**
- **The number of new properties being brought to the market for sale fell by over 70%.**

Latest ESPC figures reveal that house prices in Edinburgh fell by 2.5% annually in February taking the average price of a home in the Capital to £194,678.

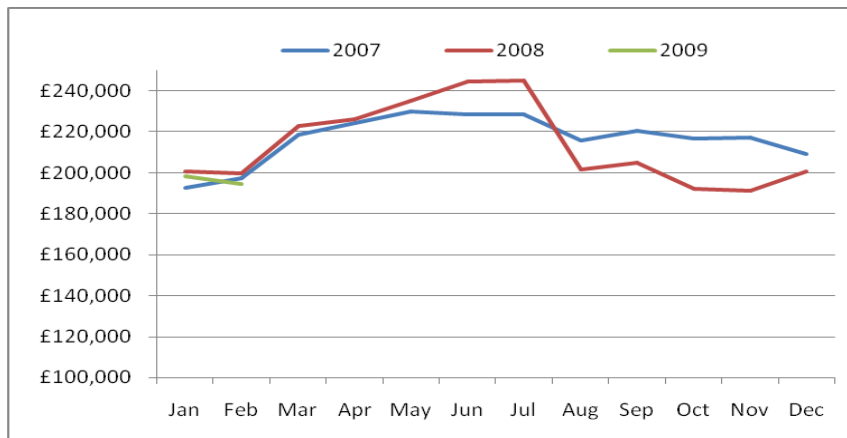
Sales volumes slowed again after the improvement in January. 212 properties were sold in February, as opposed to 277 in January and 476 in February 08. The negotiation position of buyers continues to be strong with an average premium on offers over of 4.3% (down from 23.3% in February 08) and only 19% of fixed price properties are achieving their set price.

Commenting on the results Ron Smith, ESPC chief executive said: "We are starting to see signs of more stability in property prices. Whilst we are likely to continue to report year-on-year falls until August at the earliest, the average price being achieved is proving to be more settled at around £195,000. This stability is potentially further demonstrated by the small increase in time taken to sell a property.

An interesting factor will be how prices change over the next 5 months. March

More/2

onwards is when we have traditionally seen the growth in house prices take off each year. The question is whether we will see this seasonal bounce or if prices will remain between £190,000 and £200,000 as we have witnessed for four out of the last five months. If this is the case we will start to see some sizeable year-on-year percentage falls as we report against the peak of the market in 2008, although the average price itself may remain stable”.



The number of new properties coming onto the market has maintained its dramatic slowdown with over 70% fewer properties coming onto the market.

“We are continuing to see an adjustment in the supply-side of the market. With fewer individuals trying to sell their house and the number of new build houses being started dropping by 80%, the level of supply is reducing to match the lower number of active buyers. In the short-term this should not be a significant issue the market absorbs the supply of properties that came onto the market in 2008. The market is adjusting to operate with fewer buyers and sellers.

The major concern for the medium-to-long term will be how the supply side can react to any increase in demand if factors such as the forecasted population growth or increase in the number of smaller households start to exert an influence.”

Notes to editors

- **493 words**
- *Figures quoted are based on all residential sales recorded by ESPC in the quoted period. ESPC do not seasonally adjust figures so reference year-on-year price changes unless otherwise stated.*
- *ESPC were founded in 1971 and comprise over 230 member solicitor estate agents across East Central Scotland.*
- *ESPC members accounted for over 9,600 residential sales worth more than £1.95bn last year.*
- *Previous press releases issued by ESPC can be viewed by visiting the ['News'](#) section at [espc.com](#)*