

For Immediate Release

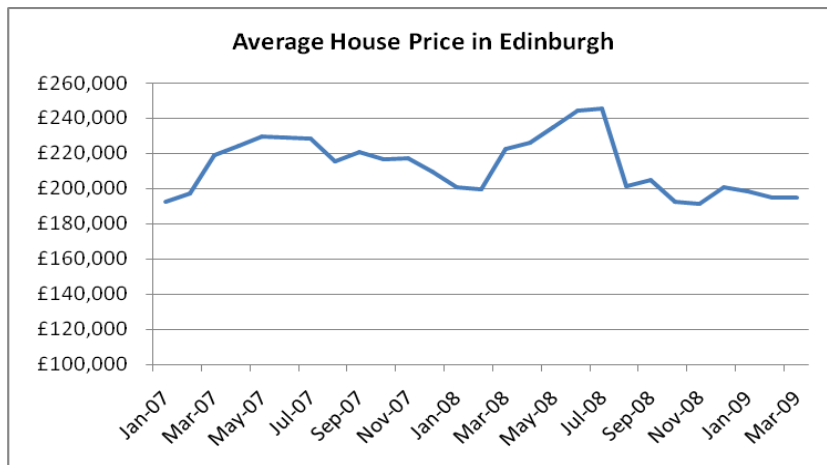
7 April 2009

- ESPC HOUSE PRICE REPORT: Q1 2009 -

- **Average house price across East Central Scotland shows an annual fall of 7.2% to £180,545.**
- **Average house price in Edinburgh stands at £195,895 after an annual drop of 6.8% in the first quarter.**
- **The sales volume during the quarter is down by just under 50%.**
- **Buyers continue to negotiate hard with 1 in 5 properties achieving their fixed price and an average Offers Over premium of 3.3%.**
- **The number of properties coming onto the market has fallen by nearly 70%. Consequently, number of active properties is 4,500 having peaked at approximately 6,000 during 2008.**
- **No concrete evidence at this point on impact of Home Reports.**

Latest statistics released by ESPC show that the average house price in East Central Scotland decreased by 7.2% annually in the first three months of 2009. The fall means the average selling price of a property in the region now stands at £180,545.

In Edinburgh a year-on-year fall of 6.8% took the average price of a home in the Capital to £195,895. For the month of March alone, the average house price was £194,683, a year-on-year decrease of 12.6%.



Commenting on the results, Ron Smith, ESPC chief executive said: "Although we are continuing to see year-on-year falls in the average house price, whether looking at quarterly or monthly figures, it's important to note that the average house price has remained stable over the last 6 months. In Edinburgh, this has seen the average figure sit somewhere between £192,000 and £200,000.

Buyers are continuing to benefit from their stronger position as only 1 in 5 properties is achieving its fixed price and the average premium on offers over has come down from 19.6% to 3.3%. This buyers market is also showing signs of getting busier as month on month we have seen an increase in the number of properties selling."

Whilst the volume of activity is well down on the same period in 2008 we are starting to see a correction in terms of the supply of properties coming onto the market.

"During 2008, we saw a significant increase in the properties which were actively being marketed for sale making it difficult to find a buyer. In response to this, fewer homeowners are choosing to enter the property market at the moment, preferring to stick where they are unless other events, such as a growing family or relocating for work, start to come into play. The impact of this is that a smaller market, with fewer buyers and sellers, has the potential to provide additional support to average prices. If supply remains constrained it is likely we will see a decline in the bargaining position of the buyer" added Ron Smith.

Outwith Edinburgh, similar trends in prices were observed with all regions observing a fall. Although the Dunfermline area has seen a year-on-year drop of 11%, the actual house price has actually picked up from the previous quarter, increasing from £123,144 to £128,244.

Robin Stimpson, ESPC chairman, concluded: "This is the first quarter where Home Reports have been a requirement throughout. However, at this stage it is too early to say whether the properties with a Home Report are selling any quicker. Anecdotal evidence is that for some homeowners the Home Report has discouraged them from testing the market in view of the cost that will be incurred, while those who have bought a Home Report have sought to use it to their advantage. For those properties

which sell within 3 months, the buyer has access to a document that most banks will accept as the survey rather than incur the additional expense of refreshing the single survey.

The key thing for most homeowners to remember is that short-term fluctuations in house prices only become an issue if you want to move or are about to remortgage but have limited equity built up. For the vast majority their home is about much more than just an investment. For those who do consider the investment value, the time frame to consider should be over an extended period of years, say 3-5, rather than focusing on annual changes. For those who are participating in the market, they have to remember that whilst the market is working against them for their sale, it should be helping them on their purchase.”

Notes to editors

- **725 words**
- Figures quoted are based on all residential sales recorded by ESPC in the quoted period. ESPC do not seasonally adjust figures and for this reason reference year-on-year price changes unless otherwise stated.
- ESPC was founded in 1971 and comprises over 230 member solicitor estate agents across East Central Scotland.
- ESPC members accounted for over 17,500 residential sales worth more than £3.5bn last year.
- Previous press releases issued by ESPC can be viewed by visiting the '[News](#)' section at espc.com
- For more information or to arrange an interview contact David Marshall on 0131 624 8000

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**ESPC STATISTICS SUMMARY
QUARTER 1 2009**

| City of Edinburgh | | | | |
|--------------------------|----------------------|-------------|-------------|---------------|
| | Property Type | 2009 | 2008 | YOY % |
| Average selling price | All properties | £195,895 | £210,123 | -6.8% |
| Sales Volume | All properties | 818 | 1,606 | -49.1% |
| Total Sales Value | All properties | £160.2m | £337.5m | -52.5% |
| City Centre | | | | |
| | All properties | £222,261 | £249,665 | -11.0% |
| Suburbs | 3 bedroom semi | £204,782 | £255,569 | -19.9% |
| | 4 bedroom detached | £417,292 | £410,630 | 1.6% |
| Marchmont/Bruntsfield | 2 bedroom flats | £222,088 | £260,078 | -14.6% |
| Gorgie/Dalry | 1 bedroom flats | £104,418 | £127,213 | -17.9% |
| Leith Walk/Easter Road | 1 bedroom flats | N/A | £127,391 | - |
| Stockbridge/Comely Bank | 2 bedroom flats | £206,830 | £253,953 | -18.6% |
| Lothians | | | | |
| East Lothian | All properties | £180,458 | £188,677 | -4.4% |
| Midlothian | All properties | £163,574 | £177,525 | -7.9% |
| West Lothian | All properties | £155,498 | £176,035 | -11.7% |
| Other Areas | | | | |
| Dunfermline | All properties | £128,244 | £144,199 | -11.1% |