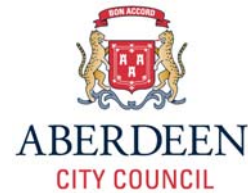


# HOUSING MARKET BULLETIN

## 2006

**aspc**



### Key Changes




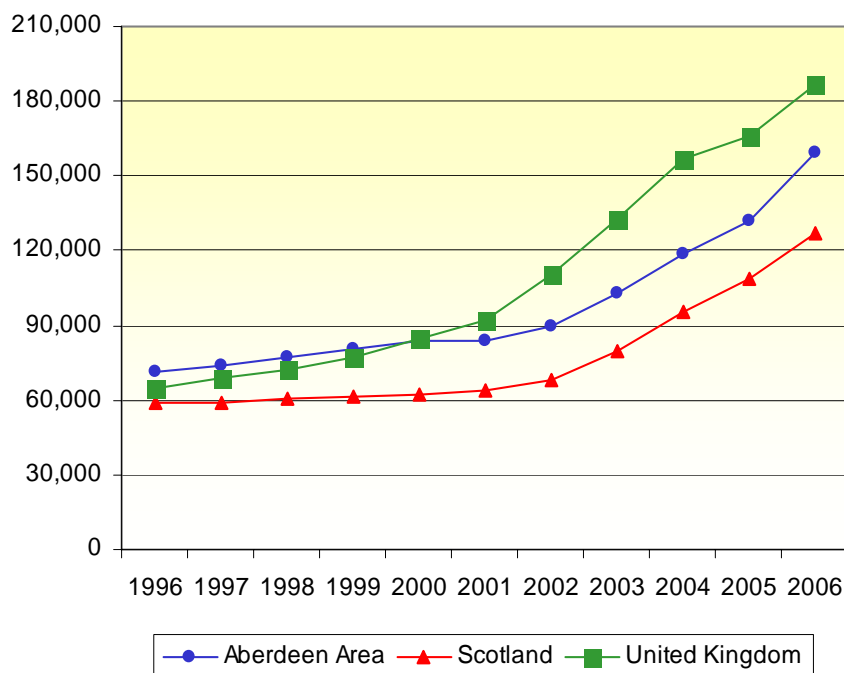
-  Between 2005 and 2006, the average house price in the Aberdeen Housing Market Area has increased from £131,685 to £159,634, an increase of 21%.
-  In Scotland, the average house price increased by 16% during 2006, rising from £108,671 to £126,639.
-  In the UK, the average house price increased from £165,807 to £186,954 a rise of 12%.

Fig. 1: Average Price - Aberdeen, Scotland and UK



### House Prices

All three areas have seen a continued increase in the average house price.

The Aberdeen housing market area continues to have a higher house price than the Scotland average.

Between 2002 and 2006 each area has experienced a larger increase than the period 1996 - 2001

Further details from:  
Sharon Wilkinson  
St.Nicholas House  
Broad Street  
Aberdeen, AB10 1BW  
e-mail: [swilkinson@aberdeencity.gov.uk](mailto:swilkinson@aberdeencity.gov.uk)

John MacRae - Chairman  
ASPC  
18 Bon Accord Square  
Aberdeen  
Telephone: 01224 596341

## Affordability

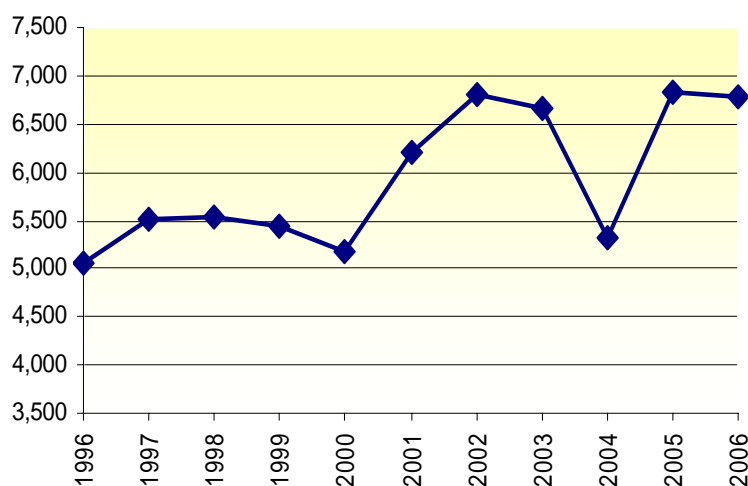
An affordability ratio relates the average house price with average earnings. For example, an affordability ratio of 4 indicates that the average house price is equivalent to four times the average earnings in an area. Earnings data is derived from table 7.7a of the Annual Survey of Hours and Earnings (ASHE), this data relates to full time employees. House price data is taken from HBOS to ensure consistency.

Fig . 2: Affordability Ratio

Year	Aberdeen City	Scotland	UK
1996	3.79	3.41	3.52
1997	3.72	3.38	3.58
1998	3.80	3.42	3.69
1999	4.36	3.63	4.34
2000	3.78	3.43	4.51
2001	3.95	3.41	4.67
2002	4.08	3.57	4.57
2003	4.97	4.01	6.27
2004	4.83	4.64	7.10
2005	5.47	5.08	7.24
2006	6.27	5.60	7.93

As can be seen from figure 2, the affordability ratio for the City of Aberdeen remains higher than Scotland, but lower than the UK. The affordability of the City of Aberdeen has been consistently higher than Scotland. In 2006, the ratio is 6.27, which means that a household would require 6 times the average earnings in order to afford a property.

Fig. 3: No of Properties sold annually, 1996-2006



## House Sales

As can be seen from figure 3, the number of house sales in the Aberdeen Housing Market Area has remained at a similar level to 2005.

In 2005 6,863 properties were sold compared to 6,783 in 2006. This is following a trend seen in 2002 - 03.

## New Build Properties

During 2006, 235 new build properties were sold through ASPC. The average new build property price for this year period was £227,777.



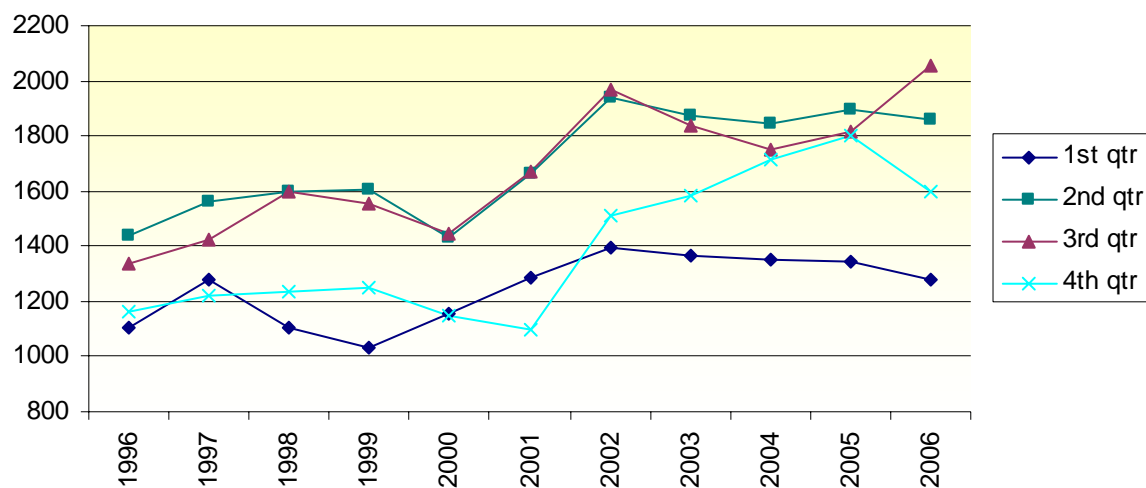
Fig. 4: Local House Prices

<b>Aberdeen City District</b>	<b>2006 (£)</b>
City Centre	139,409
Bridge of Don	142,897
Danestone	145,039
Dyce	153,841
Bucksburn	115,614
Lower Deeside	275,306
Nigg/Cove	143,774
Kingswells	212,849
<b>East Gordon</b>	
Westhill	209,877
Ellon	165,183
Newburgh	210,194
Inverurie	181,946
Kintore	187,223
Oldmeldrum/Pitmedden	174,657
Blackburn	193,590
Kemnay	182,375
Newmachar	186,016
Balmedie	194,771
<b>Kincardine Suburban</b>	
Banchory	242,107
Durris/Drumoak	277,867
Stonehaven	188,125
Portlethen	147,091
Newtonhill/Muchalls	182,117



As can be seen from figure 5, the number of properties sold per quarter has steadily increased over the last 10 years. Each quarter displays its own trend, for example the first quarter of every year remains lower than the other quarters, but is still steadily increasing. Similarly both the 2nd and 3rd quarters remain consistently high. For the first time since 1999, Quarter 4 is showing a decrease in the number of properties sold.

Fig 5. Number of Properties Sold per Quarter



(All analysis in this bulletin with the exception of the national house price figures, relate to the Aberdeen Solicitors' Property Centre statistics for the Aberdeen Housing Market Area.)

Fig. 6: Turnover

Area	Weekly Average on Register	Weekly Average Sold
City Centre	442	71
Bridge of Don/Danestone	49	9
Bucksburn/Bankhead/ Stoneywood	16	3
Kingswells	10	3
Lower Deeside	41	5
Nigg/Cove	28	3
<b>Aberdeen City Total</b>	<b>586</b>	<b>94</b>
Westhill/Skene/Kintore/ Blackburn/Kemnay/Monymusk	22	8
Ellon/Tarves/Methlick/ Newburgh/Collieston/Balmedie	31	6
Inverurie/Oldmeldrum/Udny/ Pitmedden	43	7
Newmachar	32	1
Banchory/Durris/Drumoak/ Torphins	10	4
Stonehaven/Portlethen/ Newtonhill/Muchalls	34	9
<b>Aberdeen HMA Total</b>	<b>758</b>	<b>129</b>

## Turnover

As can be seen from figure 6, the majority of house sales take place in the City Centre. The area with the lowest weekly average is Newmachar with only 1 property, on average, sold each week.

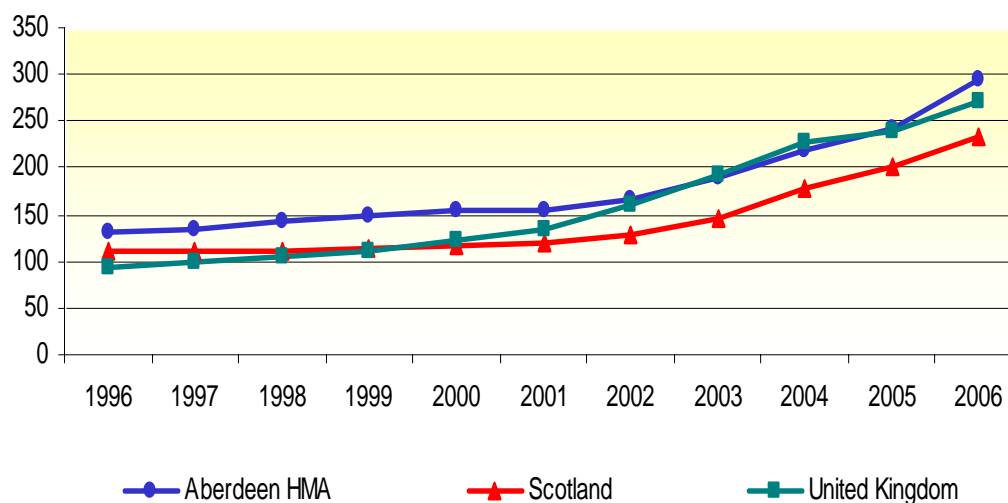
A comparison of sales and properties on the market gives an indication of turnover. In the Aberdeen Housing Market Area, 1 in 6 properties were sold each week in 2006 compared to 1 in 7 in 2005.

Within the City of Aberdeen, 1 in 6 properties were sold each week in 2006.

## House Price Index

The House Price Index allows house price trend to be compared over a fixed period of time. Figure 7 charts house price movements for Aberdeen HMA, Scotland, and the UK since 1996. When the 3 areas are compared, the Aberdeen housing market area has seen the largest increase.

Fig. 7 House Price Index 1996-2006 (Index = 100 (1990))



If you have any comments on this publication, a feedback form can be found at the site [www.aberdeencity.gov.uk](http://www.aberdeencity.gov.uk) under 'Stats & Facts'