

HOUSING MARKET BULLETIN

2007

aspc



Key Changes




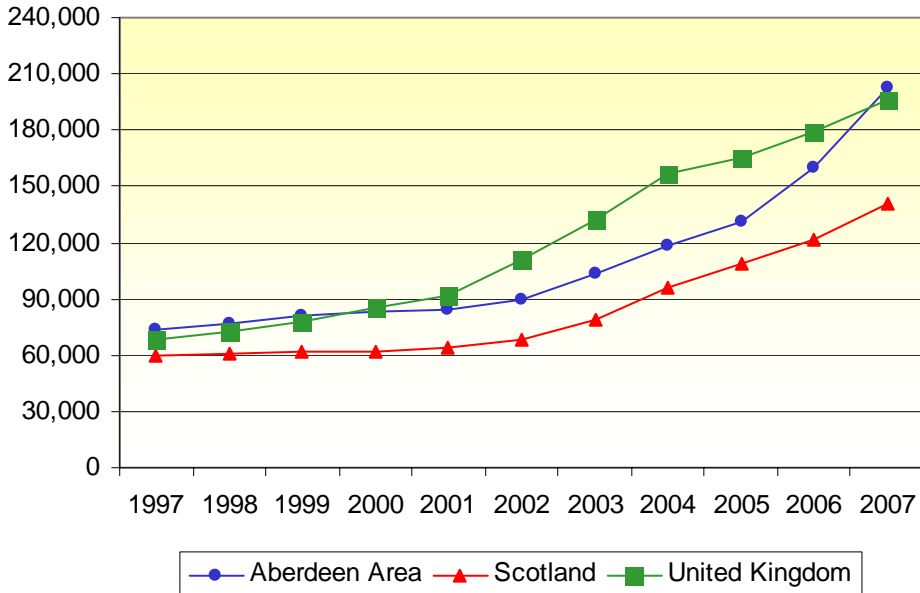
-  Between 2006 and 2007, the average house price in the Aberdeen Housing Market Area has increased from £159,634 to £202,479, an increase of 26%.
-  In Scotland, the average house price increased by 15% during 2007, rising from £121,974 to £141,229.
-  In the UK, the average house price increased from £179,601 to £196,478 a rise of 9%.

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.

For the first time since 1999, the Aberdeen Housing Market area average house price has overtaken the UK figure.

Further details from:
Sharon Wilkinson
St.Nicholas House
Broad Street
Aberdeen, AB10 1BW
e-mail: 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	3.64	4.35
2000	3.78	3.44	4.51
2001	3.95	3.42	4.68
2002	4.08	3.57	5.42
2003	4.97	4.01	6.28
2004	4.83	4.64	7.11
2005	5.47	5.08	7.24
2006	6.27	5.40	7.62
2007	7.83	6.12	8.19

As can be seen from figure 2, the affordability ratio for the City of Aberdeen remains higher than Scotland, but lower than the UK. In 2007, the ratio is 7.83, which means that a household would require over 7 times the average earnings in order to afford a property.

House Sales

As can be seen from figure 3, the number of house sales in the Aberdeen Housing Market Area has seen an increase on the previous year.

In 2006, 6,783 properties were sold compared to 7,248 in 2007.

Fig. 3: No of Properties sold annually, 1997-2007

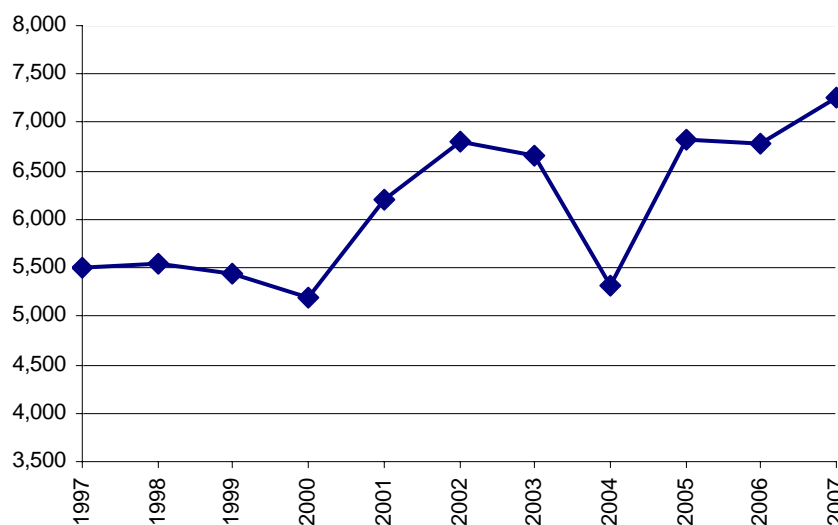


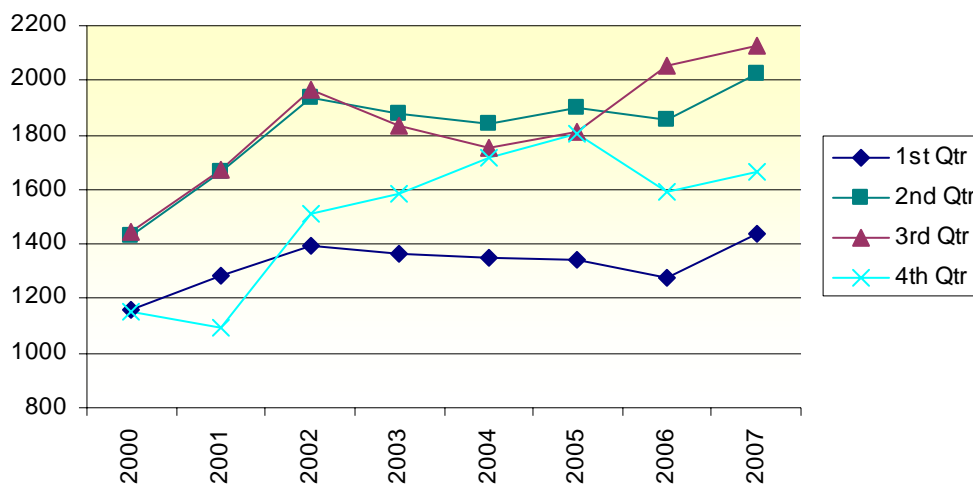
Fig. 4: Local House Prices

Aberdeen City District	2007 (£)
City Centre	181,446
Bridge of Don	186,451
Danestone	185,733
Dyce	193,957
Bucksburn	155,585
Lower Deeside	321,463
Nigg/Cove	187,889
Kingswells	292,347
East Gordon	
Westhill	243,687
Ellon	203,126
Newburgh	270,030
Inverurie	233,769
Kintore	239,885
Oldmeldrum/Pitmedden	244,081
Blackburn	244,143
Kemnay	243,991
Newmachar	216,819
Balmedie	232,531
Kincardine Suburban	
Banchory	278,272
Durris/Drumoak	313,341
Stonehaven	196,017
Portlethen	175,507
Newtonhill/Muchalls	197,499



As can be seen from figure 5, the number of properties sold per quarter has increased over the last 7 years. Each quarter displays it's own trend, for example the first quarter of every year remains lower than the other quarters, but is still steadily increasing. Quarter 4 has seen a slight increase compared to previous years.

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	609	77
Bridge of Don/Danestone	73	10
Bucksburn/Bankhead/Stoneywood	31	3
Kingswells	15	2
Dyce	9	2
Lower Deeside	67	6
Nigg/Cove	38	4
Aberdeen City Total	842	104
Westhill/Skene/Kintore/Blackburn/Kemnay/Monymusk	53	7
Ellon/Tarves/Methlick/Newburgh/Collieston/Balmedie	39	6
Inverurie/Oldmeldrum/Udny/Pitmedden	75	7
Newmachar	40	2
Banchory/Durris/Drumoak/Torphins	19	3
Stonehaven/Portlethen/Newtonhill/Muchalls	65	10
Aberdeen HMA Total	1,133	139

Turnover

As can be seen from figure 6, the majority of house sales take place in the City Centre. The areas with the lowest weekly average are Kingswells, Dyce and Newmachar with only 2 properties, on average, sold each week.

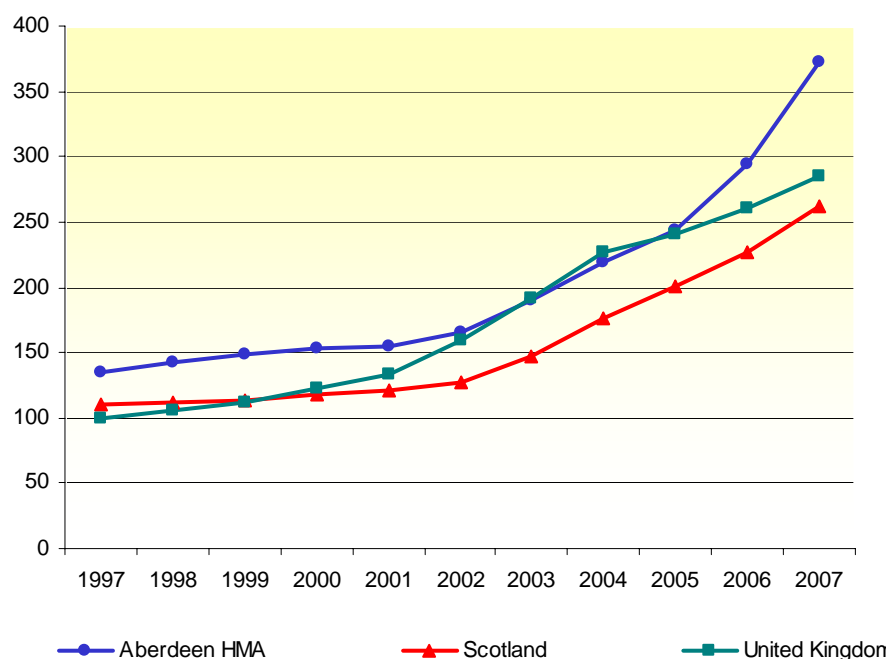
A comparison of sales and properties on the market gives an indication of turnover. In the Aberdeen Housing Market Area, 1 in 8 properties were sold each week in 2007 compared to 1 in 6 in 2006.

Within the City of Aberdeen, 1 in 8 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 1997. When the 3 areas are compared, the Aberdeen housing market area has seen the most significant increase on the previous year.

Fig. 7 House Price Index 1997-2007 (Index = 100 (1990))



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