

ABERDEEN HOUSING MARKET REPORT

FOURTH QUARTER 2024

Purpose and background

The report gives a summary of the activity in the housing market of Aberdeen and Aberdeenshire during the fourth quarter of 2024. The report is based on data supplied by the ASPC and has been compiled by the Centre for Real Estate Research (CRER) at the University of Aberdeen Business School.

The report uses the following breakdown by areas: Aberdeen stands for *Aberdeen City and suburbs* and Aberdeenshire is divided into the towns of *Ellon, Inverurie, Stonehaven*, and other *Countryside*. The report provides information for the three types of dwelling: *flat, semi-detached house, and detached house*. At times, the report uses the format *yyyyQq* as shorthand for a quarter in a particular year. For instance, *2024Q4* stands for the fourth quarter of 2024.

The prices in this report are quality-controlled, which means that the characteristics of the dwellings are assumed to be standard and are fixed over time. This control of dwelling quality allows the pure change of prices to be measured. This is achieved by a well-established statistical method. The note at the end of the report links to further information.

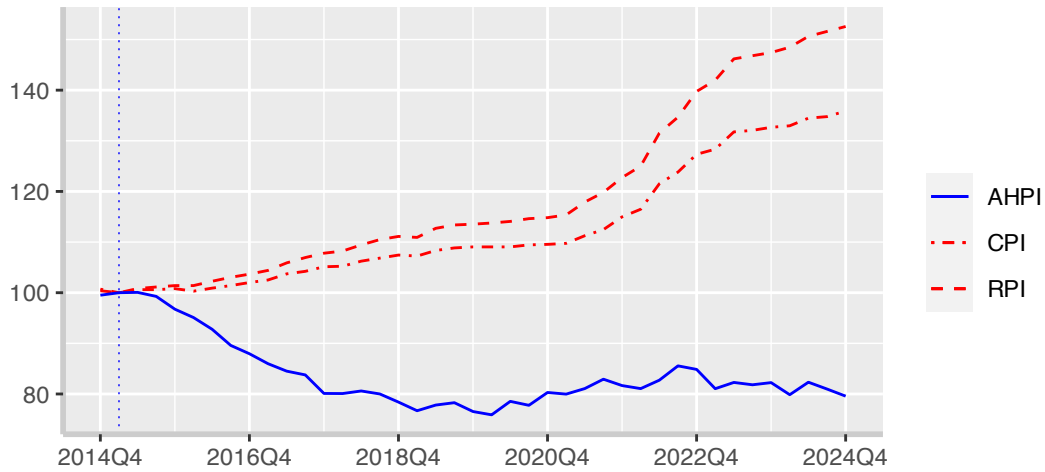
Aberdeen house price index

The index is based on the quality-controlled prices of a semi-detached house with standard characteristics. According to this index:

- The quarterly house price change in Aberdeen has been -1.7%.
- The annual house price change in Aberdeen has been -3.3%.
- The annualised house price change over five years in Aberdeen has been 0.8%.

Figure 1 shows the quarterly Aberdeen House Price Index (AHPI) jointly with the Retail Price Index (RPI all items, base year 1987) and the Consumer Price Index (CPI all items, base year 2015), the latter two are computed by the Office for National Statistics. The three price index series are each normalised to 100 in the base period 2015Q1. The base period is indicated by the dotted vertical blue line.

Figure 1: Price indices from 2014Q4 to 2024Q4



Change in prices

Table 1 collects the information on the change of house prices in Aberdeen and Aberdeenshire. The figures in the row *Quarterly* measure the house price change from the previous quarter 2024Q3 to the current quarter 2024Q4. The figures in the row *Yearly* measure the house price change from the same quarter a year ago 2023Q4 to the current quarter 2024Q4. The figures in the row *Five-yearly* measure the annualised house price change from the same quarter five years ago 2019Q4 to the current quarter 2024Q4. The last two columns of Table 1 give the change of the RPI and the CPI for the UK.

Table 1: Change of prices in percent. Five-yearly change is annualised.

	Aberdeen	Ellon	Inverurie	Stonehaven	Countryside	RPI	CPI
Quarterly	-1.7	-1.6	-2.3	-2.6	-3.0	0.6	0.8
Yearly	-3.3	-2.1	-0.4	-1.6	-4.3	3.5	2.4
Five-yearly	0.8	-0.8	1.2	-0.5	-0.2	6.1	4.5

Level of prices

Table 2 shows the imputed quality-controlled prices for the current and the previous quarter for the three dwelling types and the areas covered by the report.

Table 2: Prices by house type

	Date	Aberdeen	Ellon	Inverurie	Stonehaven	Countryside
Flats	2024Q4	119,886	102,306	125,556	135,289	106,221
	2024Q3	123,329	103,733	129,597	132,368	111,950
Semi-detached	2024Q4	184,413	162,530	181,676	175,944	178,967
	2024Q3	187,667	165,108	185,898	180,592	184,425
Detached	2024Q4	318,799	267,979	315,461	320,577	338,643
	2024Q3	320,715	274,687	327,242	325,005	349,518

Number of transactions and listings

Figure 2: Number of transactions from 2019Q4 to 2024Q4

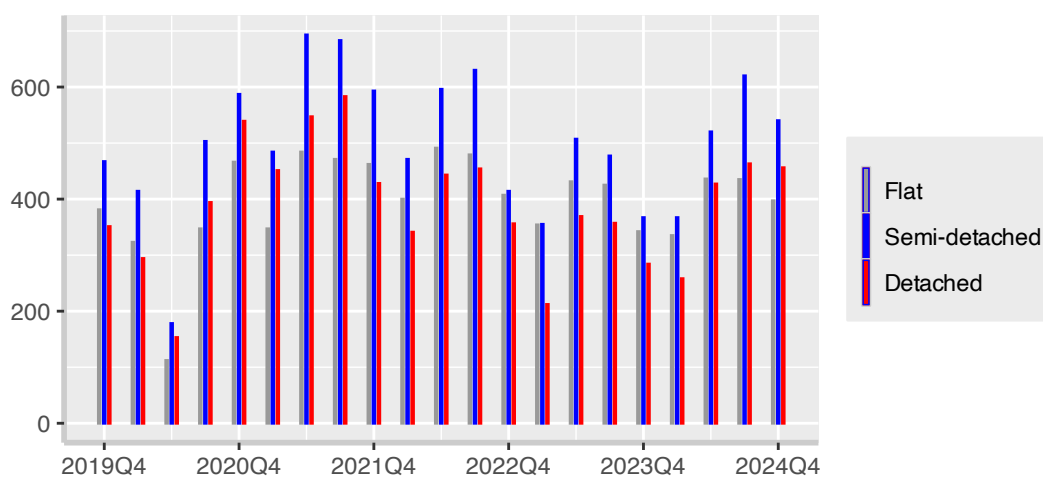


Figure 2 shows the number of residential transactions per quarter for the three dwelling types in Aberdeen and Aberdeenshire over the recent five-year period from 2019Q4 to 2024Q4.

In the fourth quarter of 2024, 1,393 residential dwellings were transacted, a change of -8.2% compared to the previous quarter 2024Q3 and a change of 40.3% compared to the same quarter a year ago 2023Q4. The transactions by dwelling type were:

- 397 flats, a change of -8.7% compared to the previous quarter 2024Q3 and of 16.1% compared to the same quarter a year ago 2023Q4.
- 540 semi-detached houses, a change of -12.9% compared to the previous quarter 2024Q3 and of 47.1% compared to the same quarter a year ago 2023Q4.
- 456 detached houses, a change of -1.5% compared to the previous quarter 2024Q3 and of 60.6% compared to the same quarter a year ago 2023Q4.

Figure 3: Activity and mark-up from 2019Q4 to 2024Q4

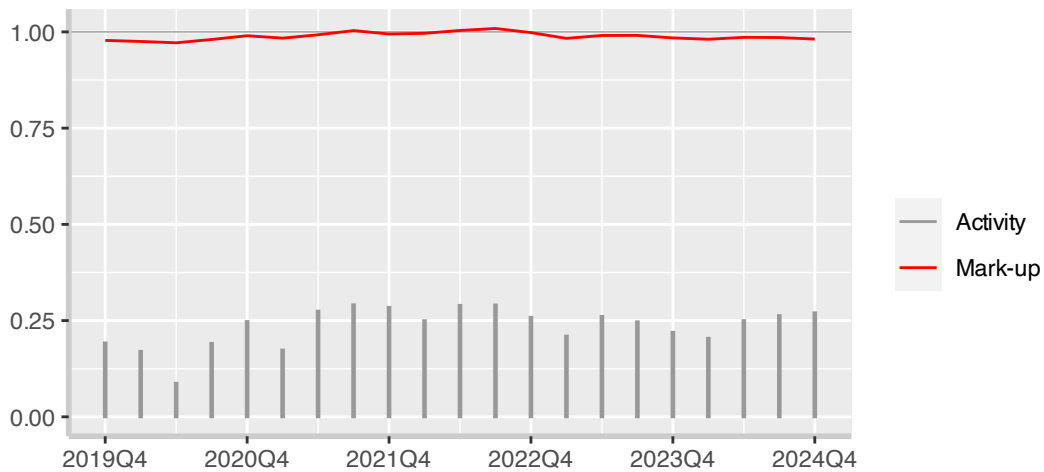


Figure 3 indicates the relative transaction and listing activity on the ASPC platform. Activity measures for each quarter the transactions as a share of all dwellings that were listed for sale on the ASPC platform. The share in the fourth quarter of 2024 is 27.02%. The share was 26.31% in the previous quarter 2024Q3 and 21.96% in the same quarter a year ago 2023Q4.

The mark-up in Figure 3 is the quality-controlled ratio of sale to ask price for properties. A mark-up of more than 1 means that properties sold for more than the ask price. A mark-up less than 1 shows that properties sold for less than the ask price. The mark-up ratio is 0.98 for the fourth quarter of 2024.

Comment by John MacRae

The report by the Centre for Real Estate Research at the University of Aberdeen Business School, for the fourth quarter of 2024 has just been released.

The report discloses that 2 out of 3 price indices show negative numbers

- The quarterly house price change in Aberdeen is -1.7%
- The annual house price change in Aberdeen is -3.3%
- The annualised house price change over 5 years in Aberdeen is 0.8%

The first 3 quarters of 2024 had shown some instances of positive price movement but they had been modest in scale and not always consistent - reflecting, perhaps, the level of confidence in our local housing market. The fourth quarter has reflected, more strongly, the same diffidence, the only exception being flats in Stonehaven, which showed a modest increase – probably due to a difference in the particular flats recorded as sold in the quarter. I do not regard that as of significance, leaving us with a picture, at the end of the year, that may concern folks.

Thankfully, the picture is far from bleak. The reason for my saying that is that sales in 2024 exceeded 2023, in number, and so did insertions. Our local housing market was busier.

I did say, last year, that I would rather see activity increasing than prices rising, and I still cling to

that opinion. For the moment, it seems that people are selling, people are buying, and mostly at reasonable prices, viewed from each side of the transaction.

Some reinforcement of my view that things are not too bad can be gained from our figures for the first 3 weeks of January. The early part of each year can be slow to start, particularly if weather conditions are adverse. I am able to report that despite the recent snowy weather, our early weeks have seen good levels of insertions, matched by similar levels of sales. It is reassuring to see this, so early in the year.

Finally, as a summary, a little more detail on numbers. Comparing year on year (quarter 4 for each of '24 and '23) we find:

- 397 flats sold compared to 342, an increase of 16.7%.
- 540 semi – detached houses sold compared to 367, an increase of 47.1%.
- 456 detached houses sold compared to 284, an increase of 60.6%.

Solicitors have long believed that markets are led by detached and semi - detached house sales. The increases in semi – detached and detached sales caught my eye.

Despite disappointing price information things are better than they may appear.

Note

The estimated price levels in Table 2 assume characteristics that are “standard” for the dwelling type in the respective area. For example, the standard semi-detached house in Aberdeen has four rooms, one bathroom, and a garden. Full details of the statistical method and the standard dwelling characteristics are available under the following link:

[A local house price index for Aberdeen](#)

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