Table 1 shows changes in house prices in Aberdeen and Aberdeenshire to the fourth quarter of 2011. Growth rates are measured using constant-quality home price indices developed by the Centre for Real Estate Research at the University of Aberdeen. The note at the website, [http://www.abdn.ac.uk/business/cpr/](http://www.abdn.ac.uk/business/cpr/), explains how these indices are constructed. For comparison, Table 1 also reports the price growth rate for Scotland as a whole and the UK as measured by the Halifax constant-quality indices.

In the fourth quarter of 2011, house prices in Aberdeen fell by 0.1%. There was a decrease of 5.0% in Scotland overall while, over the same period, average prices fell by 0.1% in the UK as a whole. On an annual basis, the change in prices is shown to be negative in Aberdeen and the UK as a whole, but Scotland recorded a slight positive increase. The last row of the table gives the annualised price growth of a five year holding period, where Aberdeen prices increased by 1.7% p.a., a large positive figure compared to the negative Scotland figure of 2.6% and the UK overall, which also recorded a negative figure of 2.8%.

### Table 1: Rate of price changes in UK, Aberdeen and the surrounding areas for 2011Q4

<table>
<thead>
<tr>
<th></th>
<th>Aberdeen</th>
<th>Ellon</th>
<th>Inverurie</th>
<th>Stonehaven</th>
<th>Other countryside</th>
<th>Scotland (Halifax)</th>
<th>UK (Halifax)</th>
<th>RPI (ONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quarterly price change</strong></td>
<td>-0.1%</td>
<td>N/A</td>
<td>-5.5%</td>
<td>N/A²</td>
<td>-4.7%</td>
<td>-5.0%</td>
<td>-0.1%</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Annual price change: 2011Q1 to 2011Q4</strong></td>
<td>-1.3%</td>
<td>4.5%</td>
<td>-5.4%</td>
<td>N/A</td>
<td>-6.2%</td>
<td>0.8%</td>
<td>-1.2%</td>
<td>5.1%</td>
</tr>
<tr>
<td><strong>Annualised price change over 5 year holding period: 2008Q1 to 2011Q4</strong></td>
<td>1.7%</td>
<td>2.4%</td>
<td>1.3%</td>
<td>2.4%</td>
<td>0.7%</td>
<td>-2.6%</td>
<td>-2.8%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Graph 1: A comparison of house price performance in Aberdeen, Scotland, UK and RPI from 2005Q1 – 2011Q4

NB: The index numbers are based on 2005Q1=100

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1 The other countryside includes all the other surrounding areas in the Aberdeen region apart from Aberdeen, Ellon, Inverurie and Stonehaven.
2 N/A means there was no statistically significant price change in the market during that period.
a) Volume of transactions in Aberdeen

Total volume of transactions in Aberdeen in the fourth quarter of 2011 was 1,261, a decrease of 20.8% from the previous quarter’s volume of 1,593, but 50.3% higher than the same quarter last year (2010Q4). Graph 2 shows changes in the volume of transactions over a five year period.

![Graph 2: Volume of property transactions in Aberdeen from 2006Q4 – 2011Q4](image)

b) Constant quality house prices in Aberdeen and surrounding areas

Based on the constant quality index, Table 2 compares average prices of properties in Aberdeen and surrounding locations.

<table>
<thead>
<tr>
<th></th>
<th>Aberdeen</th>
<th>Ellon</th>
<th>Inverurie</th>
<th>Stonehaven</th>
<th>Other countryside</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 bedroom house price</td>
<td>£76,398</td>
<td>£78,318</td>
<td>£71,308</td>
<td>£93,795</td>
<td>£76,705</td>
</tr>
<tr>
<td>2 bedroom house price</td>
<td>£119,560</td>
<td>£95,449</td>
<td>£97,393</td>
<td>£120,776</td>
<td>£101,075</td>
</tr>
<tr>
<td>3 bedroom house price</td>
<td>£222,077</td>
<td>£164,278</td>
<td>£171,242</td>
<td>£199,969</td>
<td>£161,380</td>
</tr>
<tr>
<td>4 bedroom house price</td>
<td>£307,360</td>
<td>£228,019</td>
<td>£248,182</td>
<td>£266,962</td>
<td>£247,577</td>
</tr>
<tr>
<td>5 bedroom house price</td>
<td>£409,071</td>
<td>£290,233</td>
<td>£368,248</td>
<td>£460,357</td>
<td>£319,898</td>
</tr>
</tbody>
</table>

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The characteristics of these houses can be found on [http://www.abdn.ac.uk/business/cpr/](http://www.abdn.ac.uk/business/cpr/)