

**CENTRE FOR REAL ESTATE RESEARCH, UNIVERSITY OF ABERDEEN**

**ABERDEEN HOUSING MARKET TO 1ST QUARTER 2012  
KEY FACTS**

**Change of constant-quality home prices in Aberdeen and surrounding areas**

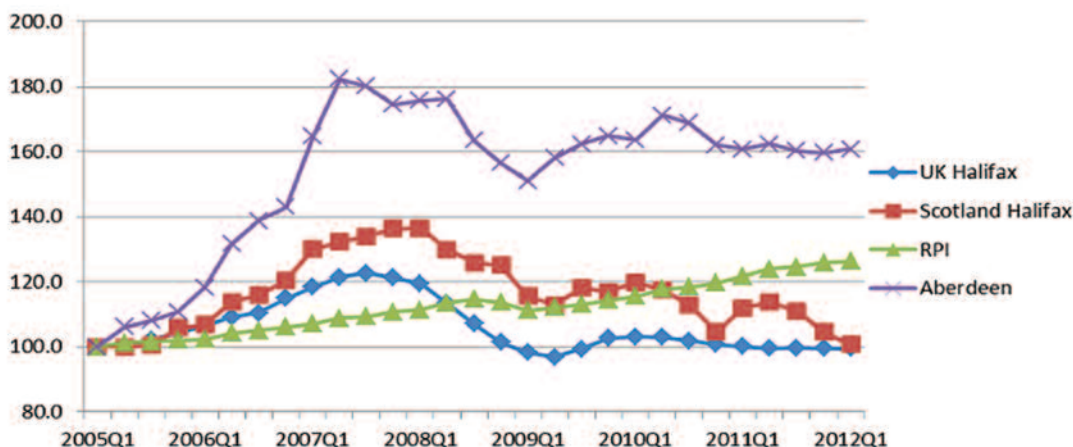
Table 1 shows changes in house prices in Aberdeen and Aberdeenshire to the first quarter of 2012. Growth rates are measured using constant-quality home price indices developed by the Centre for Real Estate Research at the University of Aberdeen. The note at the website, <http://www.abdn.ac.uk/business/crer/housing-market-report.php>, 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 first quarter of 2012, house prices in Aberdeen increased by 0.7%. There was a decrease of 3.6% in Scotland overall while, over the same period, average prices remained the same in the UK. The annual change in prices is shown to be negative in Scotland and the UK as a whole. In the Aberdeen City and suburbs however, there is no change in house prices over the year. The last row of the table gives the annualised price growth of a five year holding period, where Aberdeen prices decreased by 0.5% p.a., a small negative figure compared to the negative Scotland figure of 5.0% and the UK overall, which also recorded a negative figure of 3.4%.

**Table 1: Rate of price changes in UK, Aberdeen and the surrounding areas for 2012Q1**

	Aberdeen	Ellon	Inverurie	Stonehaven	Other countryside <sup>1</sup>	Scotland (Halifax)	UK (Halifax)	RPI (ONS)
<b>Quarterly price change</b>	0.7%	-4.4%	3.3%	1.9%	3.9%	-3.6%	0.0%	0.4%
<b>Annual price change: 2011Q1 to 2012Q1</b>	0.0%	-0.8%	-4.4%	1.3%	-3.1%	-10.0%	-0.7%	3.8%
<b>Annualised price change over 5 year holding period: 2007Q1 to 2012Q1</b>	-0.5%	0.7%	-0.2%	1.7%	-0.5%	-5.0%	-3.4%	3.4%

**Graph 1: A comparison of house price performance in Aberdeen, Scotland, UK and RPI from 2005Q1 – 2012Q1**



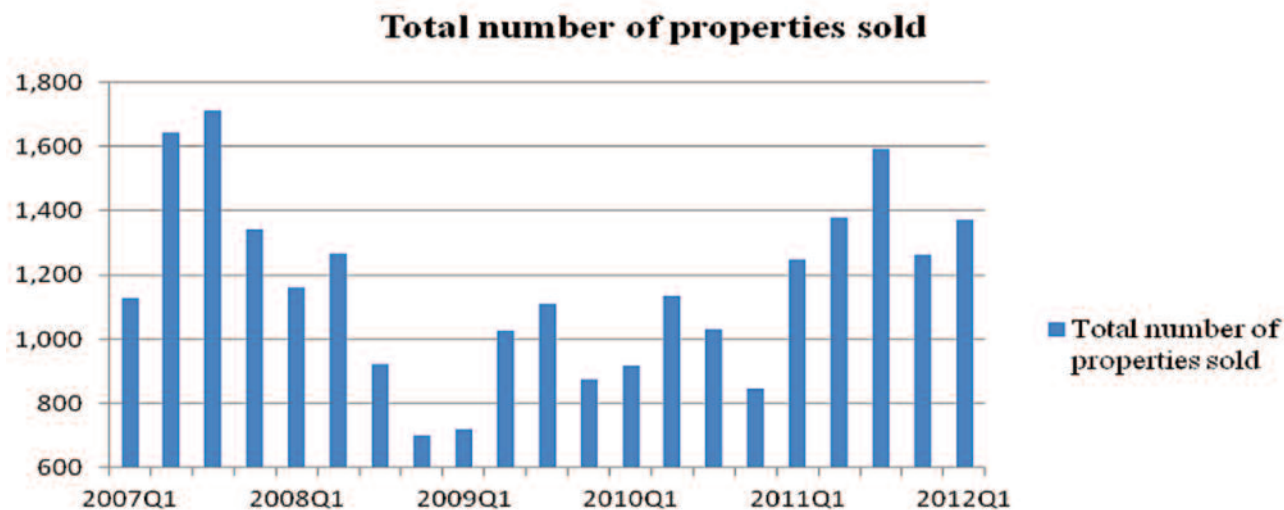
**NB: The index numbers are based on 2005Q1=100**

<sup>1</sup> The other countryside includes all the other surrounding areas in the Aberdeen region apart from Aberdeen, Ellon, Inverurie and Stonehaven.

**a) Volume of Transactions in Aberdeen**

Total volume of transactions in Aberdeen in the first quarter of 2012 was 1,369, an increase of 8.6% from the previous quarter's volume of 1,261 and 9.8% higher than the same quarter last year (2011Q1). Graph 2 shows changes in the volume of transactions in Aberdeen and suburbs over a five year period.

**Graph 2: Volume of property transactions in Aberdeen from 2007Q1 – 2012Q1**



**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 for the various dwelling types, as well as for the Average dwelling. The price of the average dwelling in Aberdeen is £235,674. This figure is higher than the prices reported for Ellon, Inverurie, Stonehaven and the other countryside in the North East of Scotland.

**Table 2: Constant-Quality House Prices<sup>2</sup> in Aberdeen and the surrounding areas for 2012Q1**

	Aberdeen City and Suburbs	Ellon	Inverurie	Stonehaven	Other Countryside
<b>Flat</b>	£143,883	£110,700	£125,842	£135,907	£120,811
<b>Semi-detached</b>	£199,501	£168,109	£152,407	£193,477	£166,297
<b>Detached</b>	£330,797	£235,288	£254,673	£297,436	£224,975
<b>Average Dwelling</b>	£235,674	£168,109	£185,816	£219,248	£184,520

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<sup>3</sup> The characteristics of these houses can be found on <http://www.abdn.ac.uk/business/crer/housing-market-report.php>