

*For Immediate Release*

*10 December 2008*

**- EDINBURGH HOUSE PRICE REPORT: NOVEMBER 2008 -**

- **12.0% annual fall takes the average house price in Edinburgh to £191,271.**
- **Number of houses sold was almost 70% below total recorded in November 2007.**
- **Buyers continue to negotiate lower selling prices with the average premium paid on properties sold at Offers Over in Edinburgh falling below 10% for the first time since 1997.**
- **Last week of November sees an upturn in the number of properties brought to the market as sellers look to avoid requirement to purchase a Home Report.**
- **Average time taken to sell a property rises to over 120 days as demand for property remains constrained.**

Latest ESPC figures reveal that the average house price in Edinburgh now stands at £191,271 following a 12.0% year-on-year fall in November. The figures represent the fourth consecutive month in which a year-on-year decline in the average house price in the Capital has been observed.

Sales volumes also remained well below levels recorded in previous years as demand for property continued to be constrained by low consumer confidence and tightened lending criteria. In November 2008 almost 300 properties were sold in the Capital, however this total was 70% below the 950 sales recorded during the same month last year.

With demand for property deflated, sales are increasingly restricted to those sellers who are willing to compromise with buyers on the selling price of their property. In Edinburgh the average premium being paid on a property sold at Offers Over dipped below 10% for the first time since February 1997.

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The number of new sellers putting their property on the market showed an annual increase for the first time since April this year as many homeowners opted to put their home up for sale ahead of Home Reports arriving on December 1. In the last week of November alone 455 properties were brought to the market across East Central Scotland compared with just 217 during the same week last year.

Commenting on the results Ron Smith, Chief Executive said: "An upturn in the number of properties being put up for sale was to be expected in the lead-up to Home Report introduction as many sellers sought to avoid the cost associated with that. A similar trend was seen when HIPs were launched south of the border but we would not expect it to have an impact on the flow of properties to the market in the long run. Indeed, in today's market where competition between sellers is so high those who are able to provide potential buyers with a survey and valuation may find themselves at a slight advantage."

"In terms of sales, the market continues to favour buyers with a deposit in place who can secure finance. The market is tough for sellers just now, but there has been some good news for them recently with lending rates starting to come down. As affordability also improves we will see more buyers attracted back to the market which should increase activity in the early part of next year. People shouldn't expect that this will lead to rising house prices once more in the short-term, but it should increase the number of properties selling somewhat. For those sellers willing to be reasonable on price this should make it easier to find a buyer for their property."

#### **Notes to editors**

- **562 words**
- Figures quoted are based on all residential sales recorded by ESPC in the quoted period. ESPC do not seasonally adjust figures so reference year-on-year price changes unless otherwise stated.
- ESPC were founded in 1971 and comprise over 230 member solicitor estate agents across East Central Scotland.
- ESPC members accounted for over 17,500 residential sales worth more than £3.5bn last year.
- Previous press releases issued by ESPC can be viewed by visiting the '[News](#)' section at [espc.com](http://espc.com)