



Savills Scottish Home Truths

Wednesday 10 March 2021

Welcome and thank you for joining.

You are on mute for the duration of
the webinar.

We will begin shortly.

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Welcome

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The background of the slide is a wide-angle landscape photograph. It features a large, calm lake in the center, surrounded by lush green forests in the foreground and middle ground. In the distance, there are rolling hills and mountains under a blue sky with scattered white clouds. The lighting suggests a bright, sunny day.

Residential Market Outlook

Faisal Choudhry

Residential Research

2020 anything but a normal housing market

1st modern-day recession where the economy and housing market have moved in different directions

Low preceding price growth, ultra-low interest rates and early expectations of a sharp V-shape marked it out as different

Government intervention on jobs, earnings and a benevolent approach to mortgage repayments

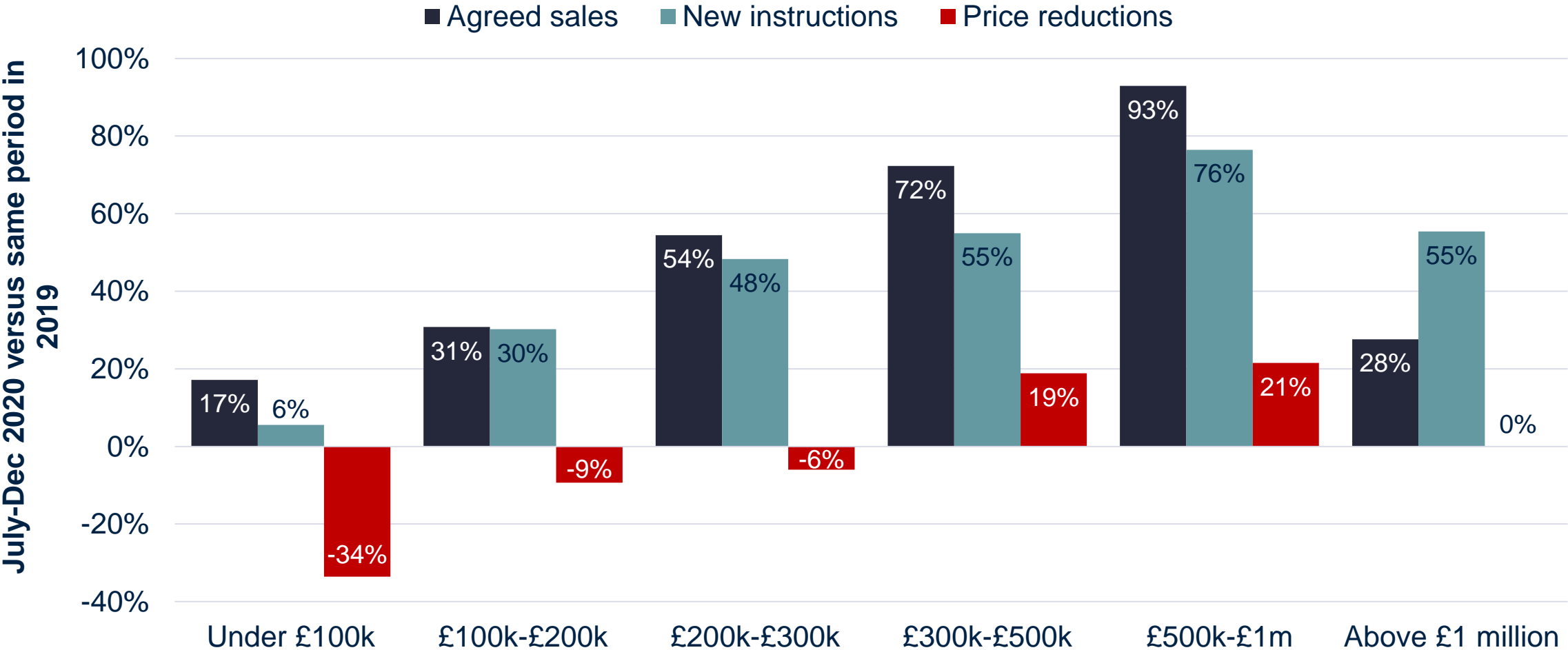
Resulting in a market driven by those with financial security rather than those exposed to the economic fallout

For whom a reassessment of housing needs and priorities essentially overrode economics

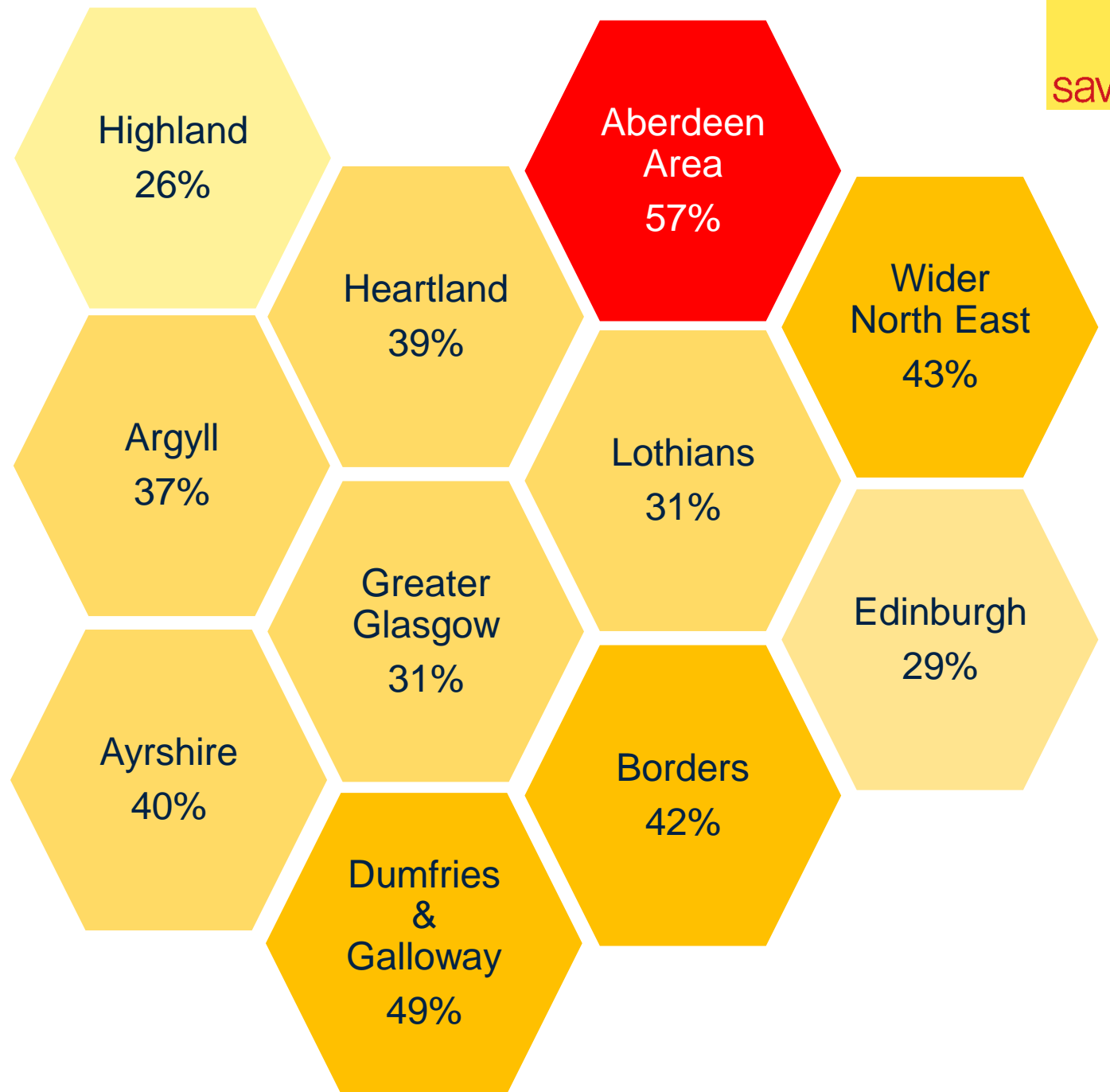
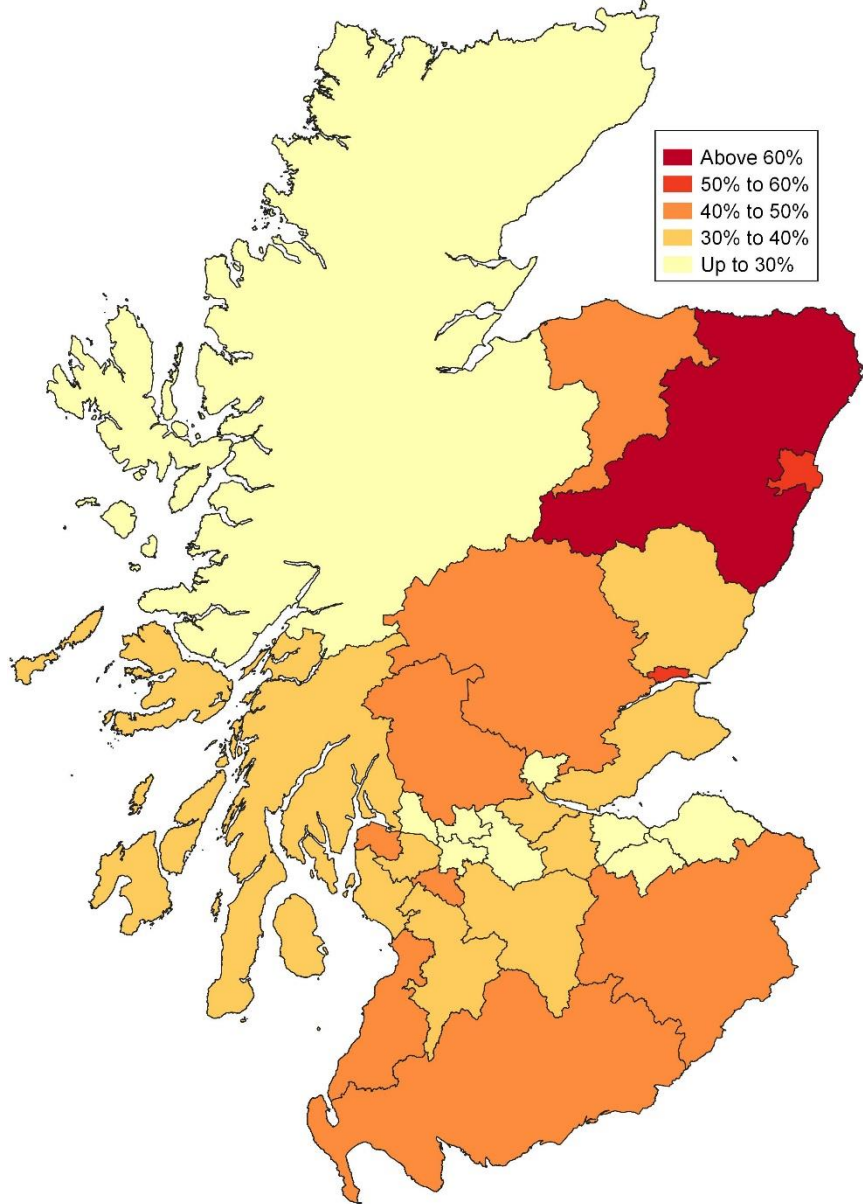
Exceptional Scottish market performance



Scotland market activity between July and December 2020 compared with the same period in 2019



Sales agreed between July and December 2020 versus the same period in 2019



The movers and the stickers



87%

of those living in **small towns, villages or the countryside** would like to **remain** in one of these locations



1/3

The proportion of those living in **city centres or suburbs** who would prefer their next home to be in a **village or the countryside**



51%

of those living in the **countryside** who are **downsizing** would prefer to move into a **village or small town**



55%

of those in **medium/ large towns or city suburbs/ centres** would like to remain in an **urban area**
Increasing to **69%** of **downsizers**

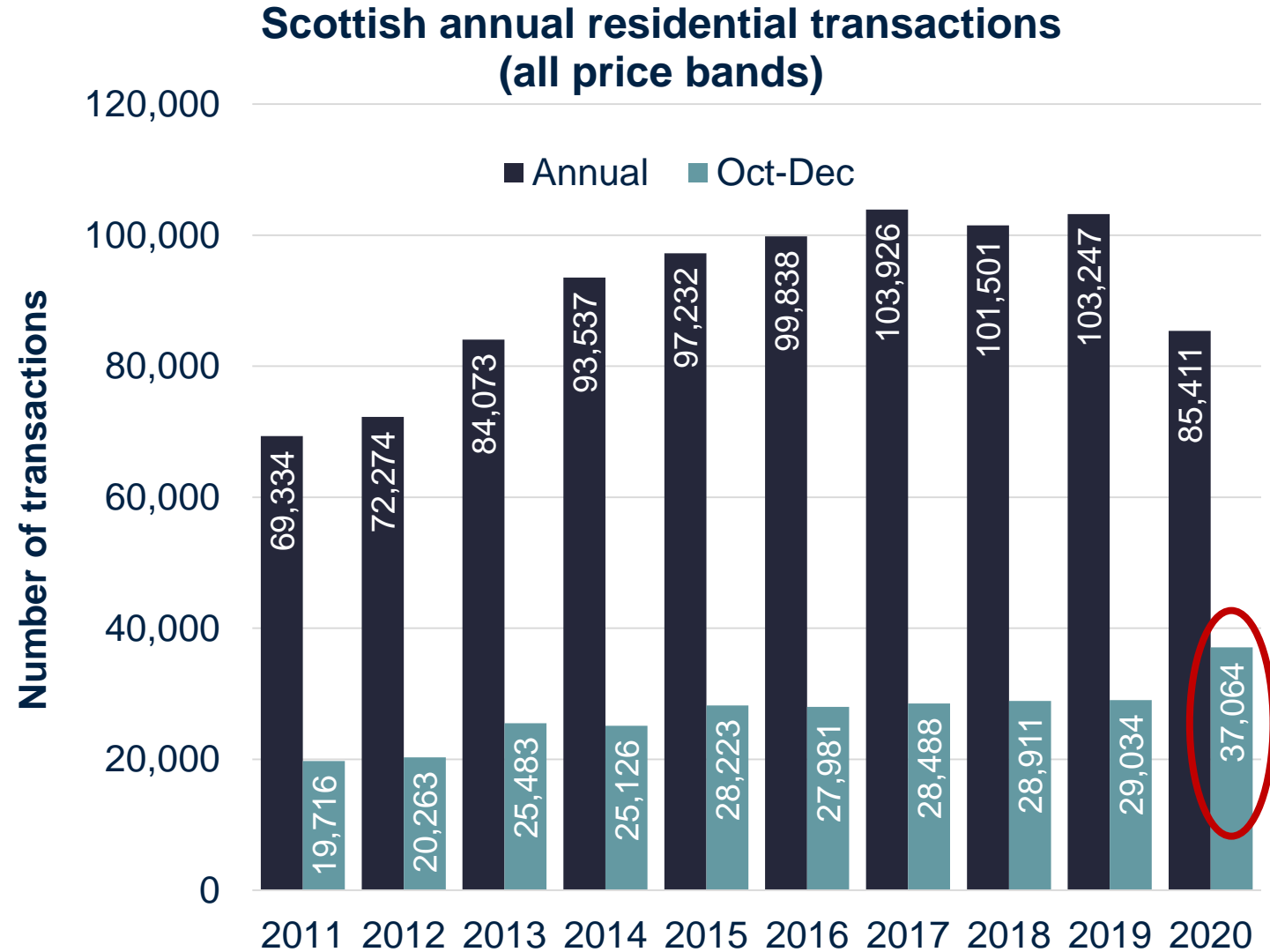


44%

of those in **central London** would like their next home to be in a **city centre**
Increasing to **47%** amongst the **under 40s**

Increased activity now feeding official data...

- Overall 17% annual drop
- Record number of transactions recorded in Q4 2020
- Led by Aberdeenshire, wider North East, Ayrshire and Borders
- Commuter areas across the Central Belt not far behind
- Local heroes include country, commuter and coastal hotspots



...including the top end market

- **2020 was the third highest year of top end transactions**
- **Record number of transactions recorded in Q4 2020**
- **Edinburgh continues to dominate but market share slightly reduced**
- **Remarkable recovery in Glasgow**
- **Top end activity in Ayrshire, East Lothian, Perthshire, Fife and the Borders more than doubled**

Scottish annual residential transactions (£1 million and above)



Registered transactions

+12%

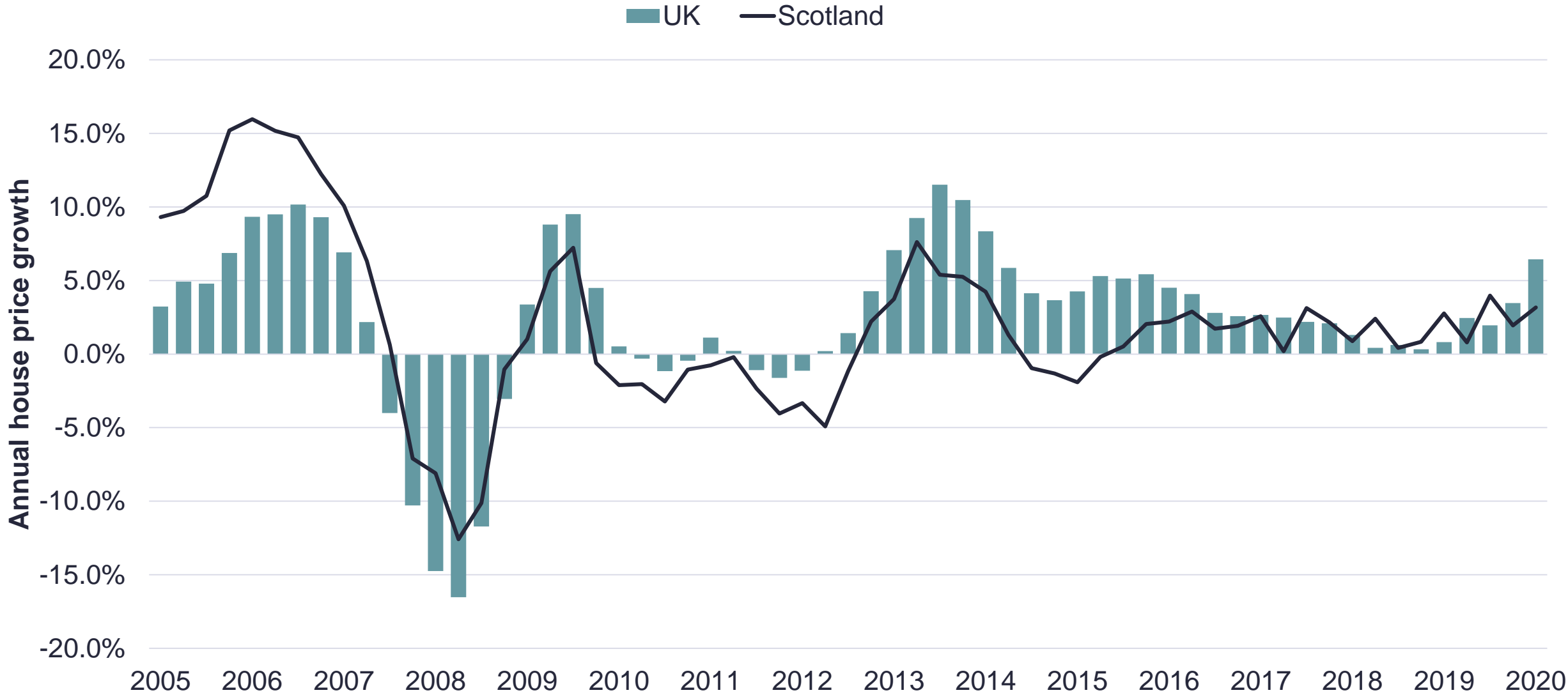
(Jan 2021 v Jan 2020)

Agreed sales

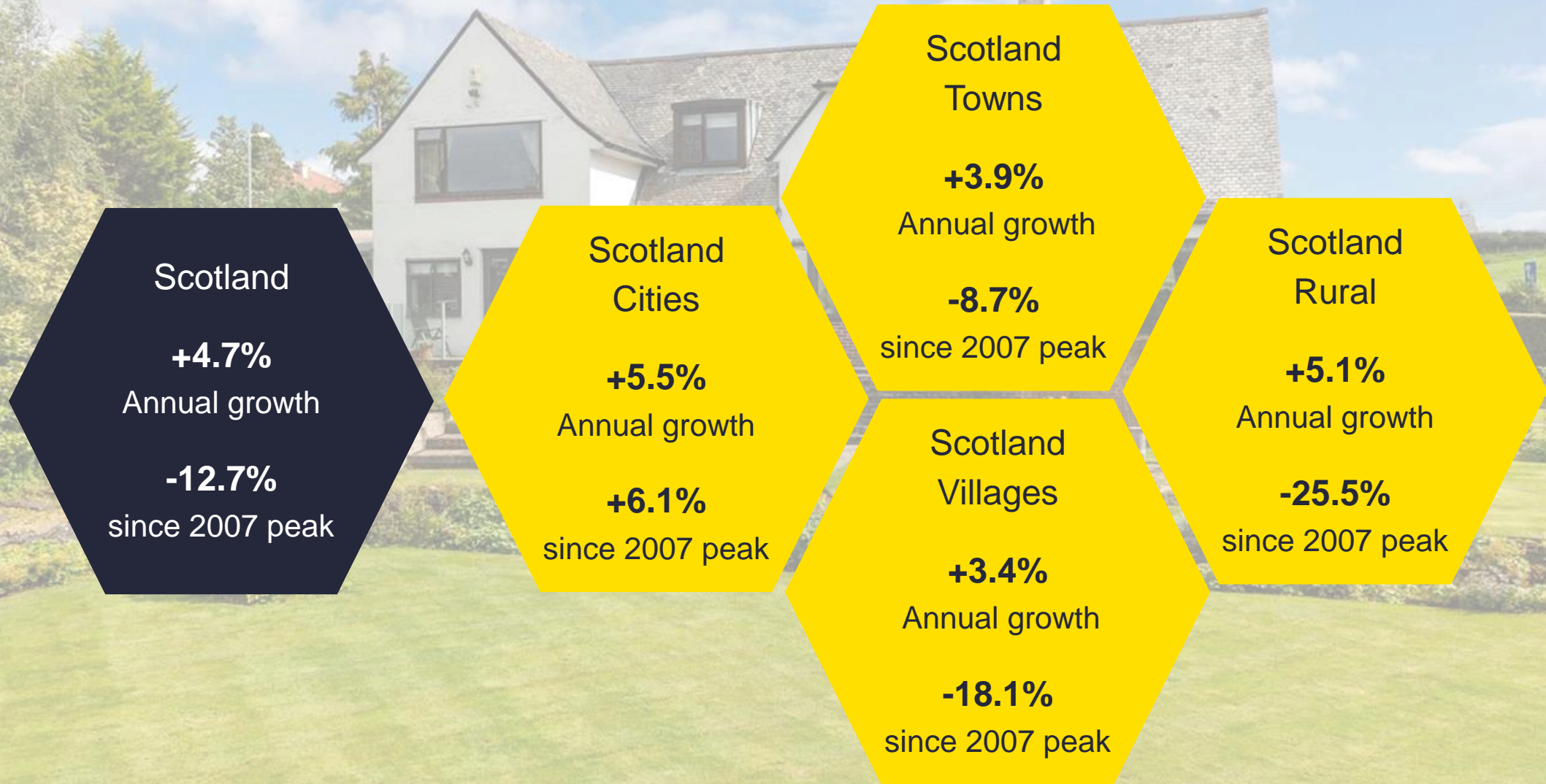
+3%

(Jan-Feb 2021 v Jan- Feb 2020)

The impact on mainstream prices



The impact on prime prices



New build opportunities



Steady recovery,
mainly up to
£400,000



Supported by
policy changes
and incentives



Commitment to
moving favours
second hand market



New build market
has attracted
buyers that are
missing out



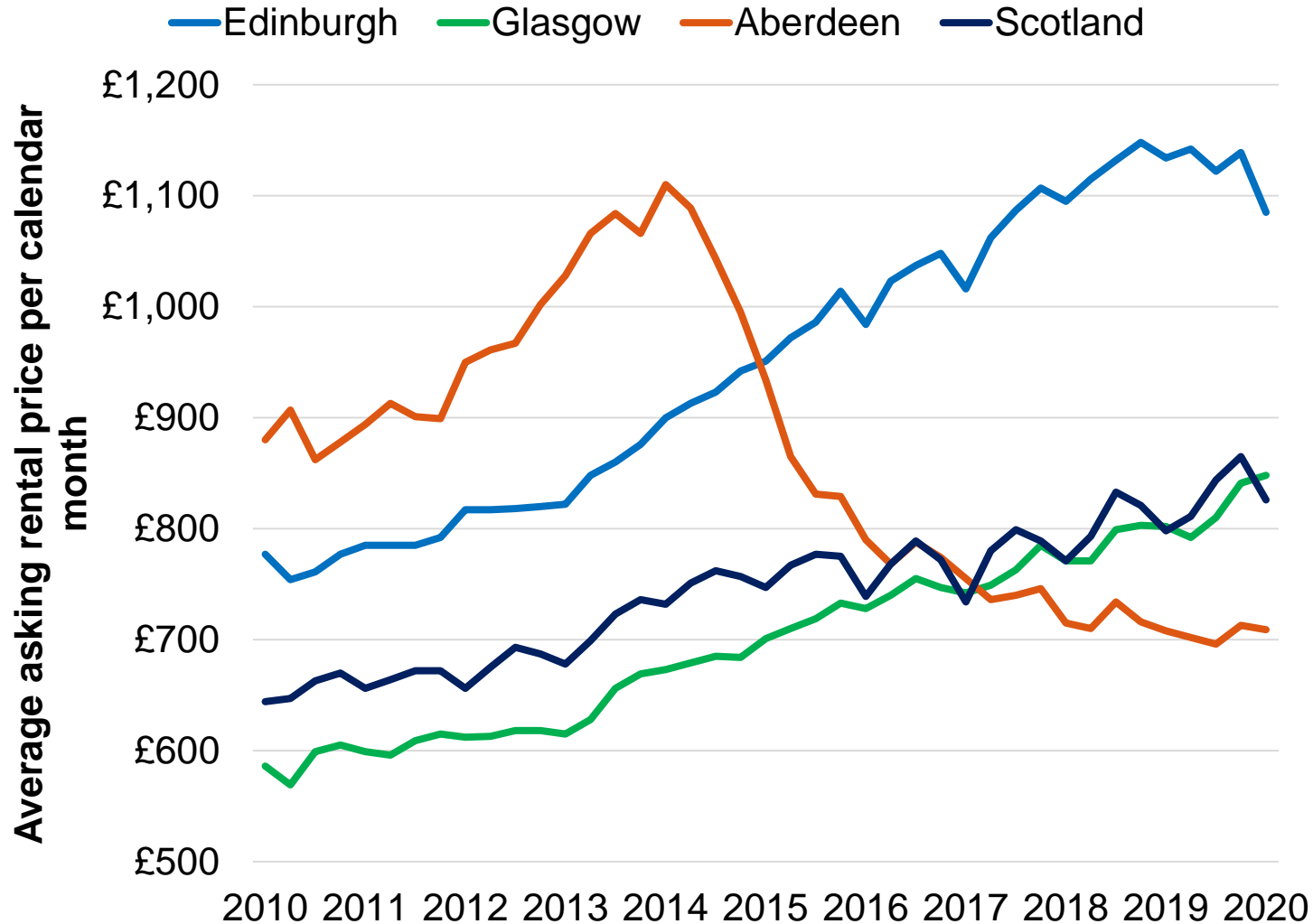
Completions
beyond 2021



Competitive
pricing remains
key

Rental adjustments

Average rental prices per calendar month



- **Increased supply in central locations is putting downward pressure on rents**
- **Steadier market across Greater Glasgow**
- **Suburban areas have seen growth at the expense of cities**
- **Vaccine deployment will be critical to demand returning to the cities**
- **Opportunities in the longer term for BtR to make up the shortfall in supply left by continued divestment of buy-to-let landlords**

Current house price forecasts

	2021	2022	2023	2024	2025	5 years to 2025
Prime UK	5.0%	4.0%	3.5%	3.0%	3.5%	20.5%
Prime Scotland	5.5%	4.0%	4.0%	3.5%	4.0%	22.8%
Mainstream UK	4.0%	5.0%	4.0%	3.5%	3.0%	21.1%
Mainstream Scotland	3.0%	5.0%	4.5%	4.5%	4.0%	22.8%

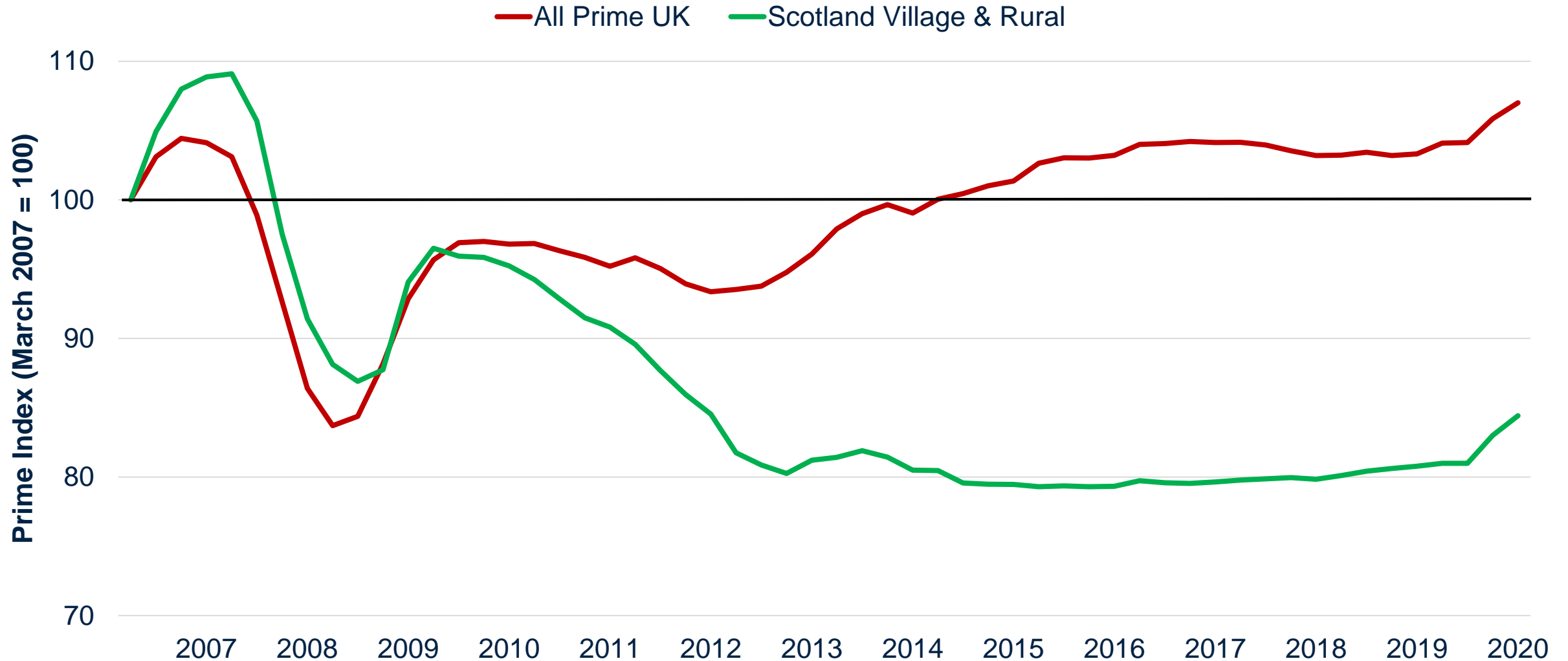
An aerial photograph of a large, calm lake in a Scottish landscape. The lake is surrounded by dense green forests in the foreground and middle ground. In the background, there are rolling hills and mountains under a blue sky with scattered white clouds. The water reflects the sky and the surrounding greenery.

Scottish Country House Market Update

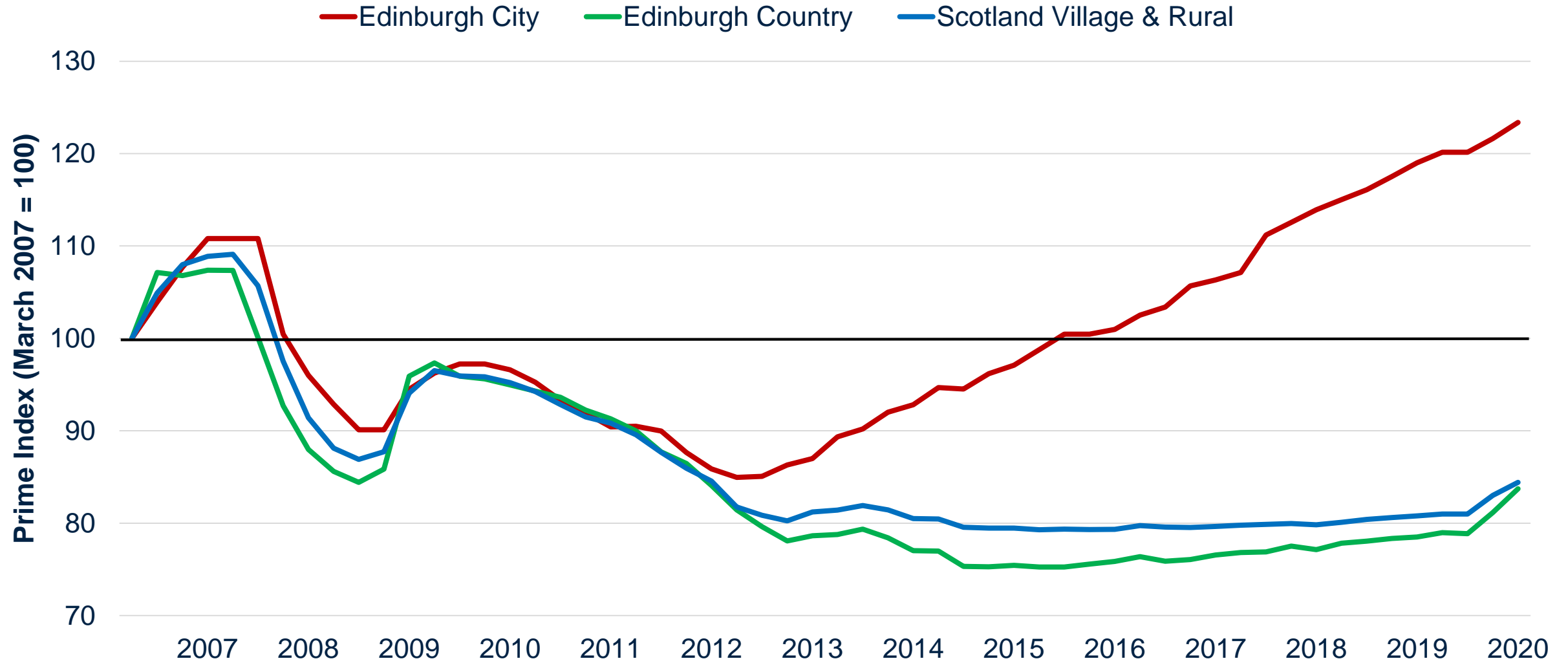
Jamie Macnab

Head of Scottish Country House Department

Scottish Country price performance vs UK



Scottish Country price performance vs Edinburgh



Good value for money but slow to sell



Alyth, Perthshire

10 bedrooms - 9,000 sqft

Offers Over £750,000



Cupar, Fife

9 bedrooms - 10,000 sqft

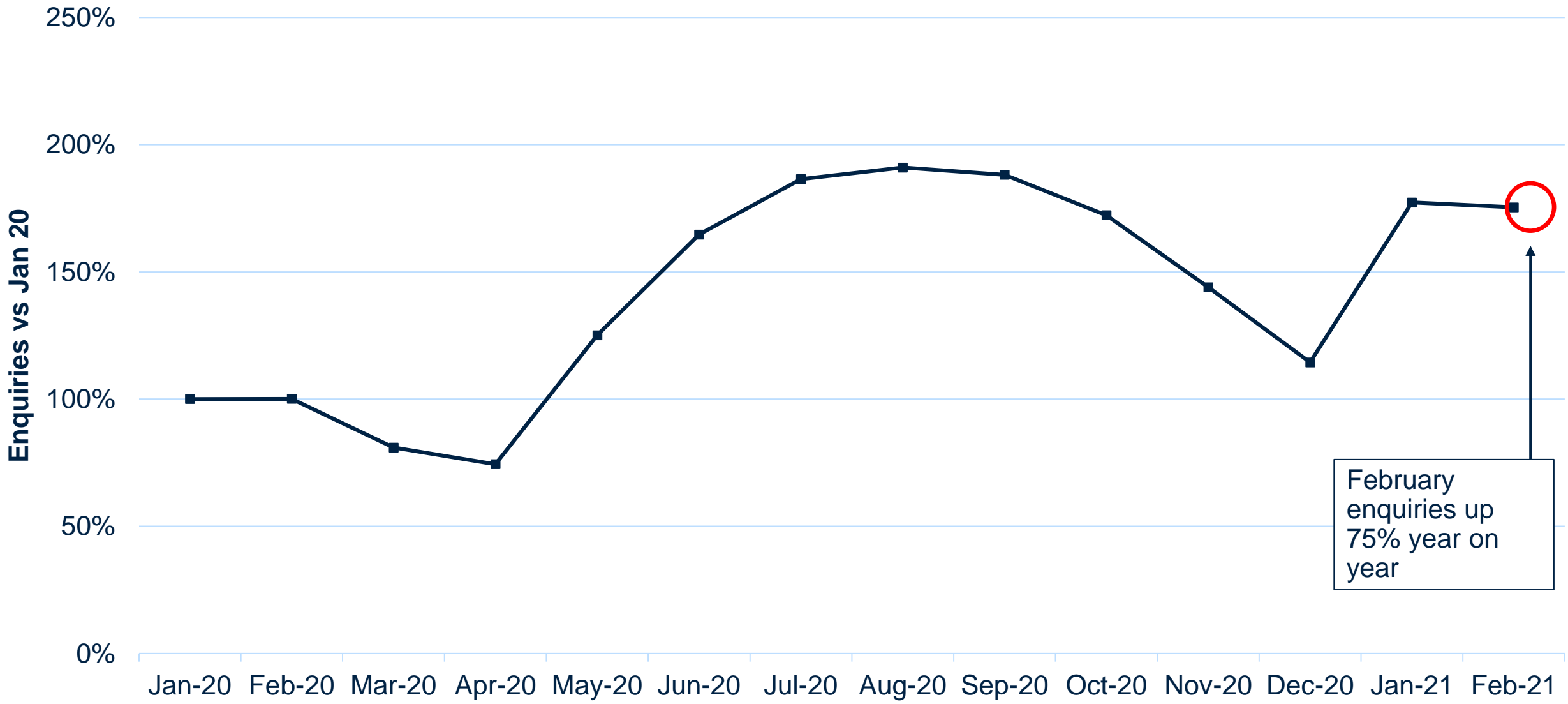
Offers Over £875,000

Century House, St Andrews
7 bedrooms – 7,000 sqft
Offers Over £2.5 million

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Website enquiries surged during lockdown



February enquiries up 75% year on year

Early sales when market reopened



Archerfield, East Lothian

6 bedrooms - 6,500 sqft
Offers Over £1.25 million



Archerfield, East Lothian

5 bedrooms - 4,600 sqft
Offers Over £1.125 million

Initial demand closest to Edinburgh



Haddington, East Lothian

7 bedrooms - 4,800 sqft

Offers Over £1.2 million



Roslin, Midlothian

6 bedrooms - 5,250 sqft

Offers Over £950,000



Gullane, East Lothian

2 bedrooms - 1,400 sqft

Offers Over £575,000



Pathead, Midlothian

5 bedrooms - 3,200 sqft

Offers Over £800,000

Perthshire and Angus



Pitcairngreen, Perthshire

6 bedrooms
3,600 sqft
Offers Over £695,000



Ache na Creag, Loch Tay

3 bedrooms
1,866 sqft
Offers Over £295,000



Lintrathen, Angus

5 bedrooms
5,000 sqft
Offers Over £830,000



Gallery, by Montrose

6 bedrooms
11,000 sqft
Offers Over £1.5 million

Kippen, Stirlingshire

- 6 bedrooms
- 5,800 sqft
- Offers Over £895,000



Blanefield, Stirlingshire

- 4 bedrooms
- 2,000 sqft
- Offers Over £425,000

The market also picked up in remote areas, including the Borders



Selkirk

5 bedrooms - 7,000 sqft
Offers Over £1.45 million



Tweedsmuir

5 bedrooms - 4,500 sqft
Offers Over £575,000

West Coast



Glenmorven, Fort William

7 bedrooms
3,700 sqft
Offers Over £795,000



Suleskerry, Tarbert

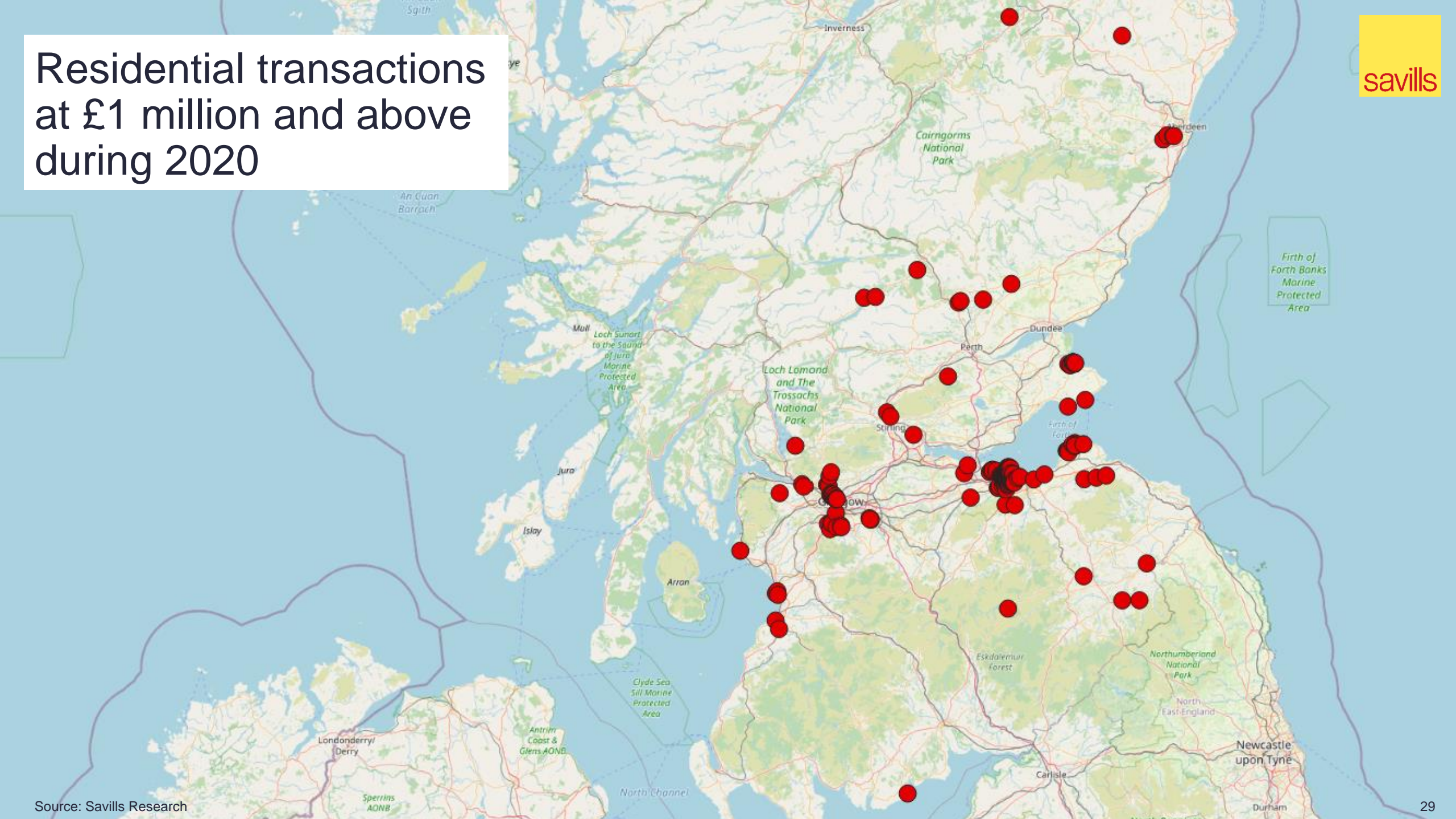
8 bedrooms
5,600 sqft
Offers Over £675,000



Ardchattan Point, Oban

4 bedrooms
5,000 sqft
Offers Over £790,000

Residential transactions at £1 million and above during 2020



Higher value houses listed since 2019 sold



Comrie, Perthshire

5 bedrooms - 5,000 sqft

Offers Over £2.5 million



Meigle, Perthshire

12 bedrooms - 18,000 sqft

Offers Over £1.85 million



Dunbar, East Lothian

7 bedrooms - 5,700 sqft

Offers Over £1.95 million



Gullane, East Lothian

6 bedrooms - 4,500 sqft

Offers Over £1.65 million

Loch Tay, Perthshire
4 bedrooms - 4,500 sqft
Offers Over £1.5 million



Even more demand for St Andrews than before

Howard Place, St Andrews

7 bedrooms

3,500 sqft

Offers Over £1.5 million



Very strong demand for flats



Hope Street, St Andrews

2 bedrooms - 1,200 sqft

Offers Over £475,000

Hope Street, St Andrews

4 bedrooms - 1,800 sqft

Offers Over £735,000



Golf Place, St Andrews

3 bedrooms - 1,300 sqft

Offers Over £850,000

Pilmour Links, St Andrews

2 bedrooms - 930 sqft

Offers Over £475,000



Family homes



Hepburn Gardens, St Andrews

4 bedrooms - 2,300 sqft

Sold Privately



Hepburn Gardens, St Andrews

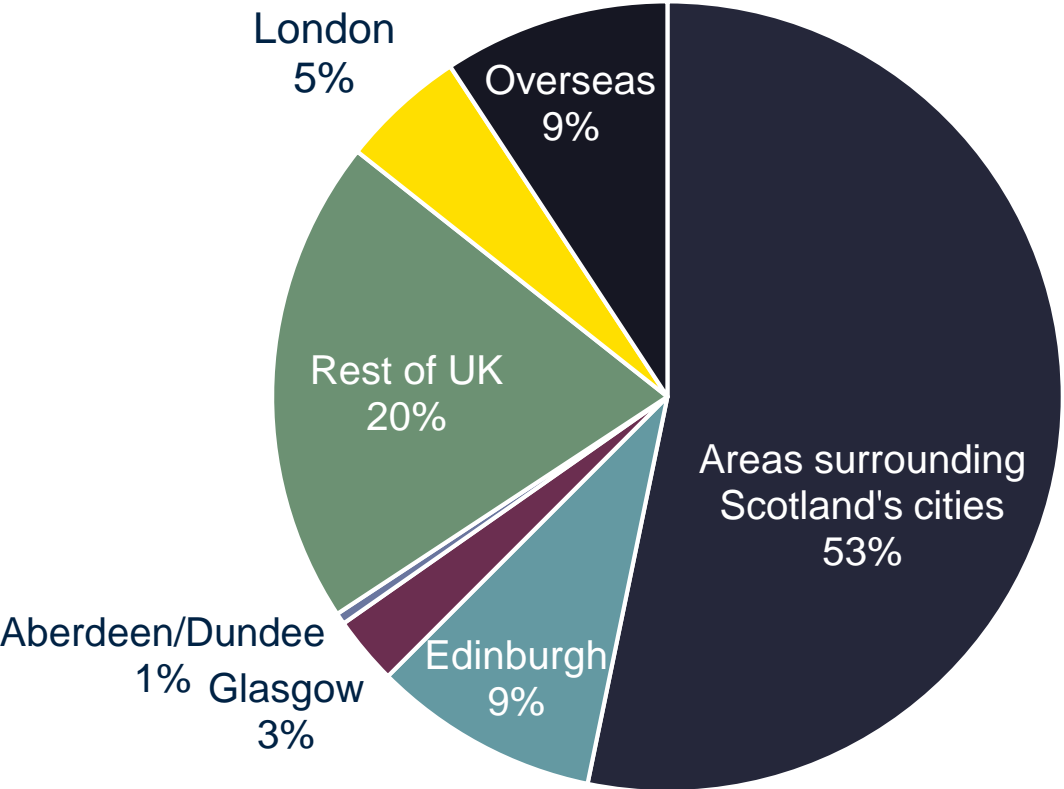
5 bedrooms - 2,300 sqft

Offers over £750,000

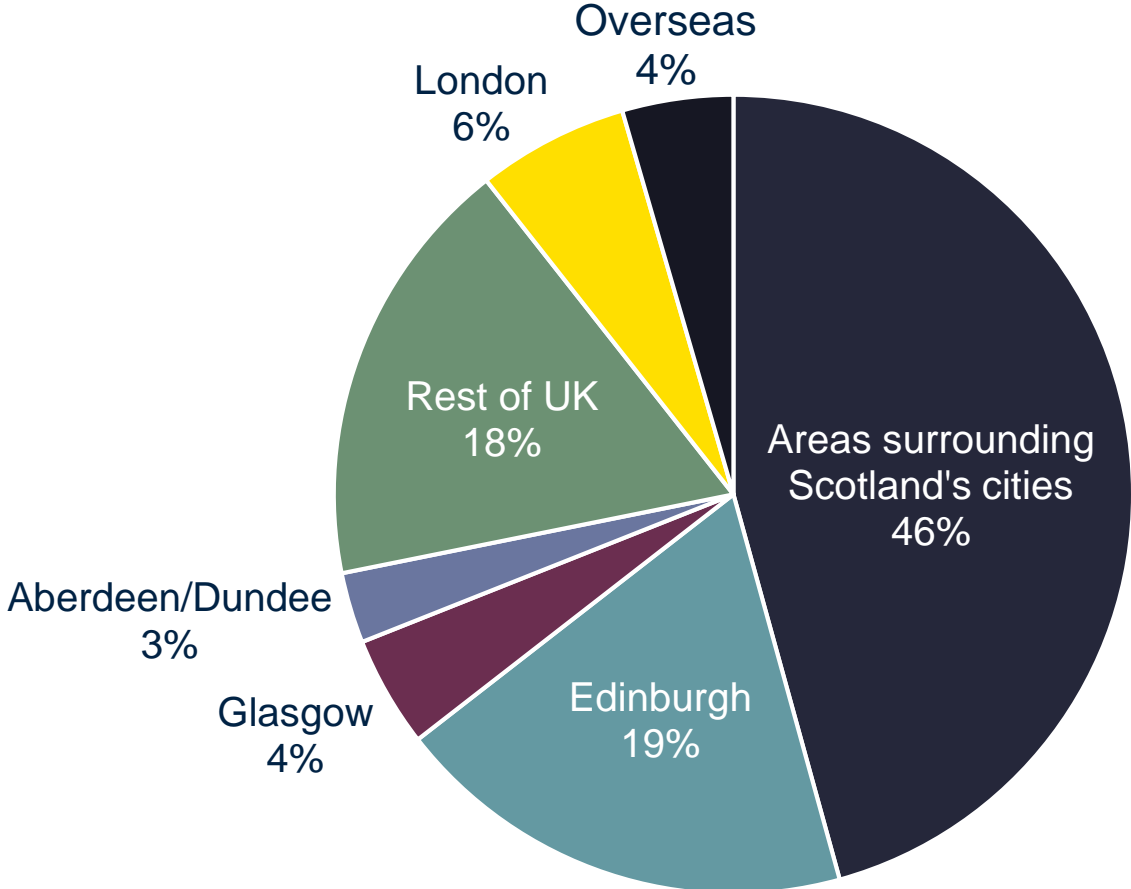
Buyer origin of Savills sales in areas surrounding Scotland's cities



2019

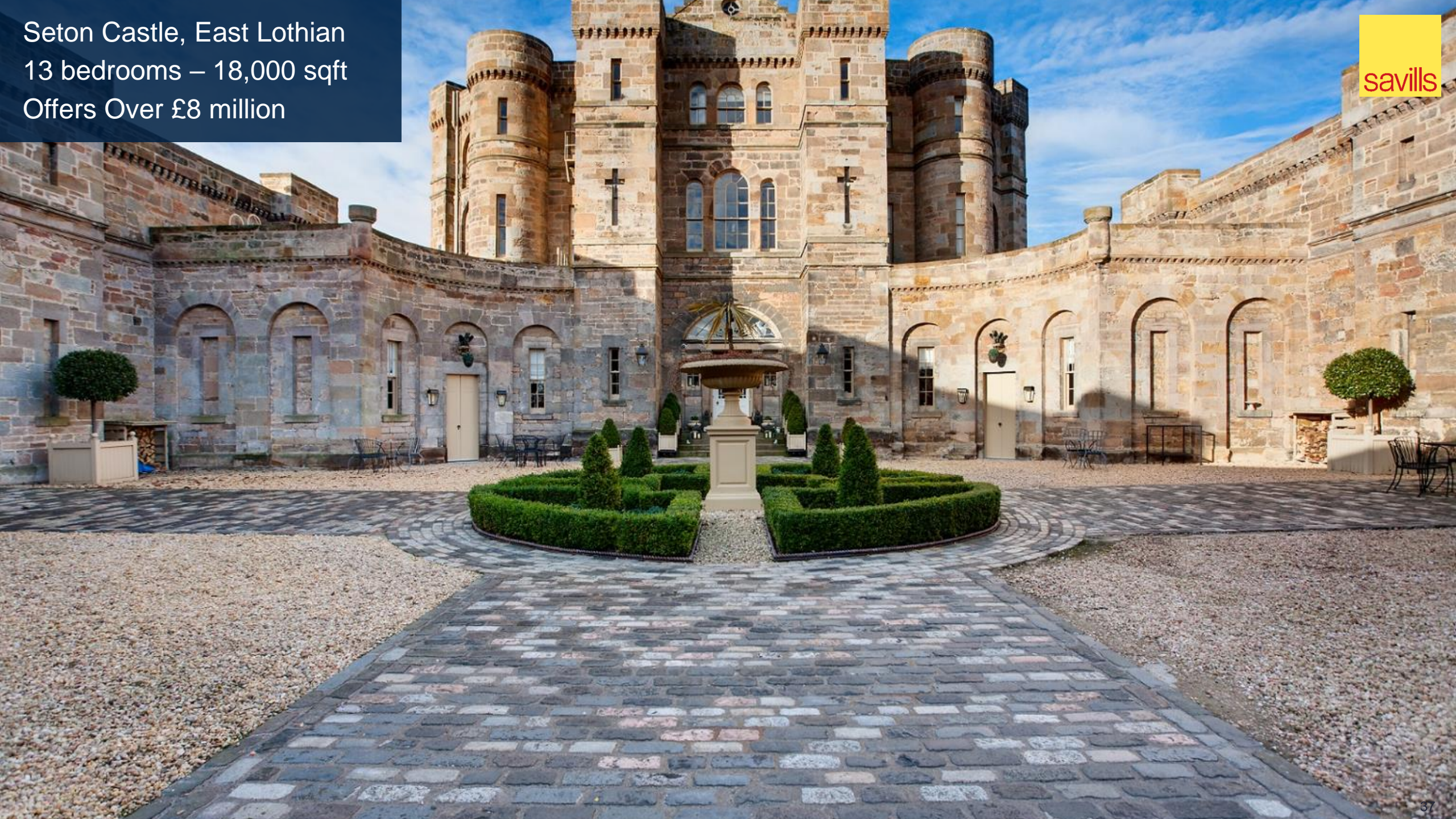


2020

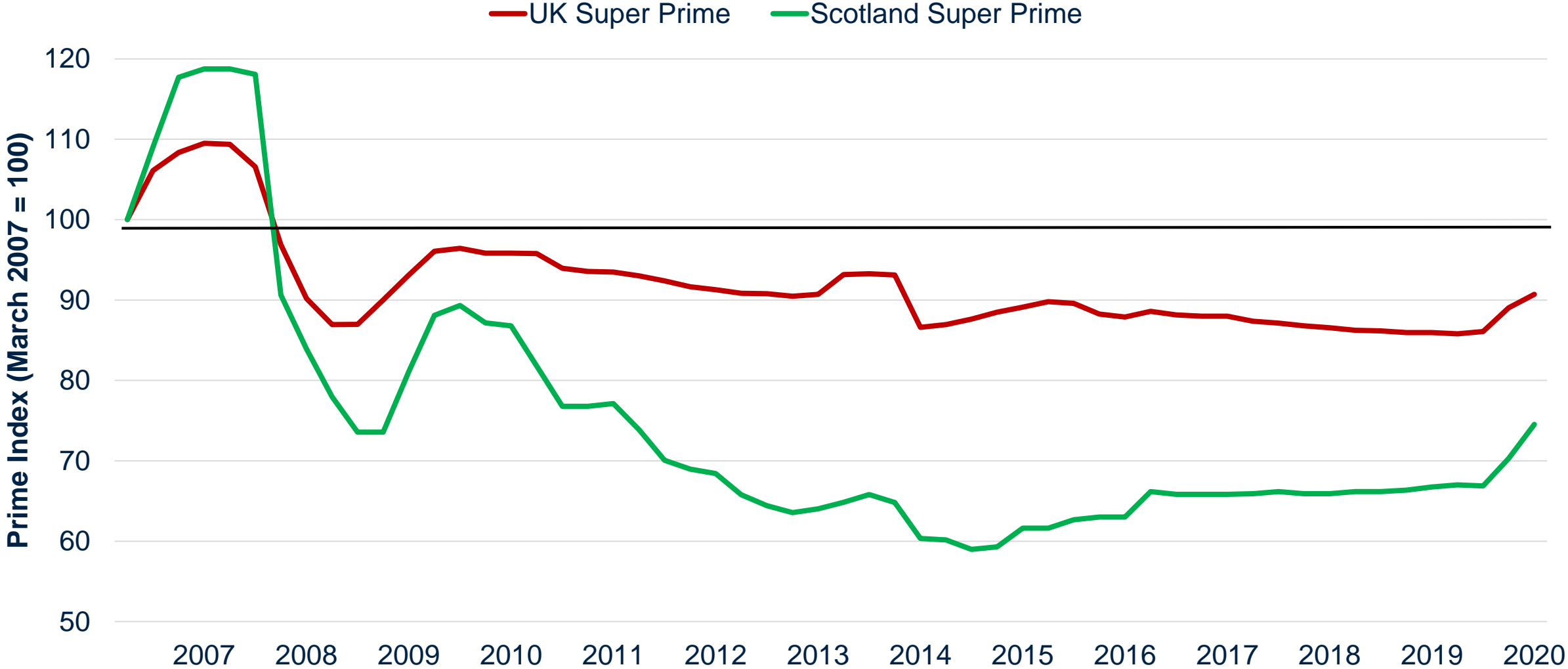


Seton Castle, East Lothian
13 bedrooms – 18,000 sqft
Offers Over £8 million

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Scottish Super Prime Index performance



Super Prime in St Andrews

Hamilton Grand, St Andrews

26 flats in an iconic building

Views over Old Course and out to sea

Prices from £1.3 million upwards



Offers agreed for properties listed last year



Dunbar, East Lothian

6 bedrooms - 6,000 sqft

Offers Over £895,000



Gullane, East Lothian

4 bedrooms - 2,700 sqft

Offers Over £975,000



Clathymore, Perth

6 bedrooms - 5,800 sqft

Offers Over £995,000



Piteadie House & Castle, Fife

6 bedrooms - 4,800 sqft

Offers Over £1.2 million

What has been listed has had very strong interest



New Park Place, St Andrews

8 flats in private development

All let - no viewings

Asking prices £400,000 to £450,000



Significant shortage of new listings

Hepburn Gardens, St Andrews

6 bedrooms - 3,600 sqft

Offers Over £1.35 million



The Savills logo consists of a solid yellow square. Inside the square, the word "savills" is written in a lowercase, red, sans-serif font. The background of the slide is a dark, atmospheric landscape featuring a large lake, dense green forests, and rolling hills under a cloudy sky.

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Thank you

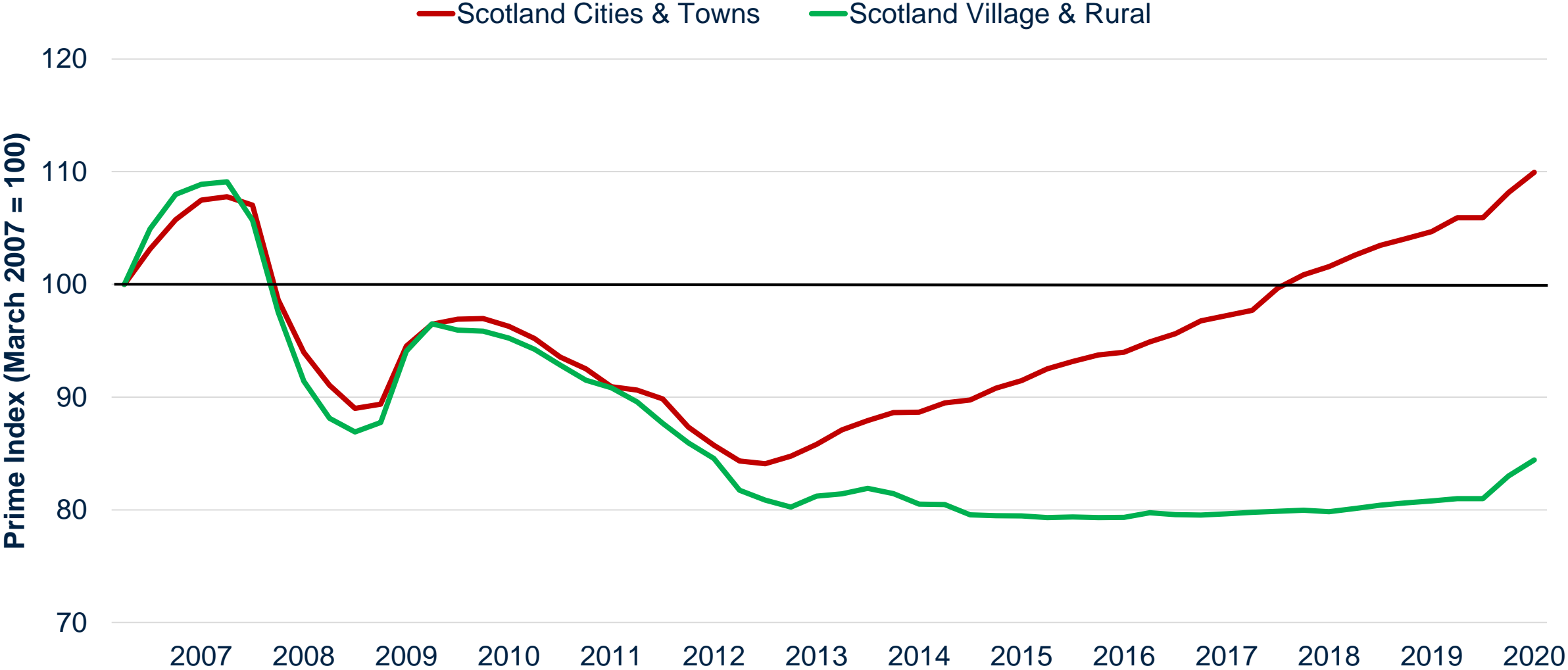
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City Market Update

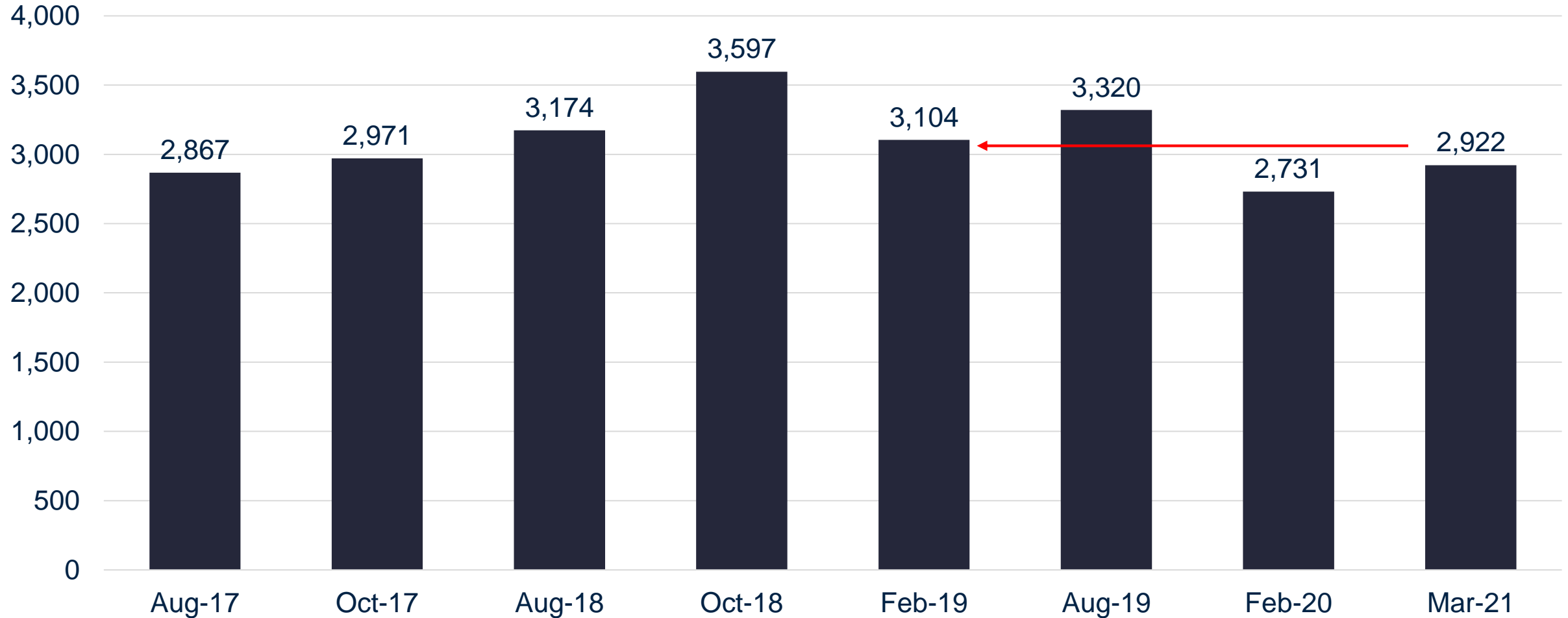
Ben Fox MRICS

Head of Edinburgh Residential Sales

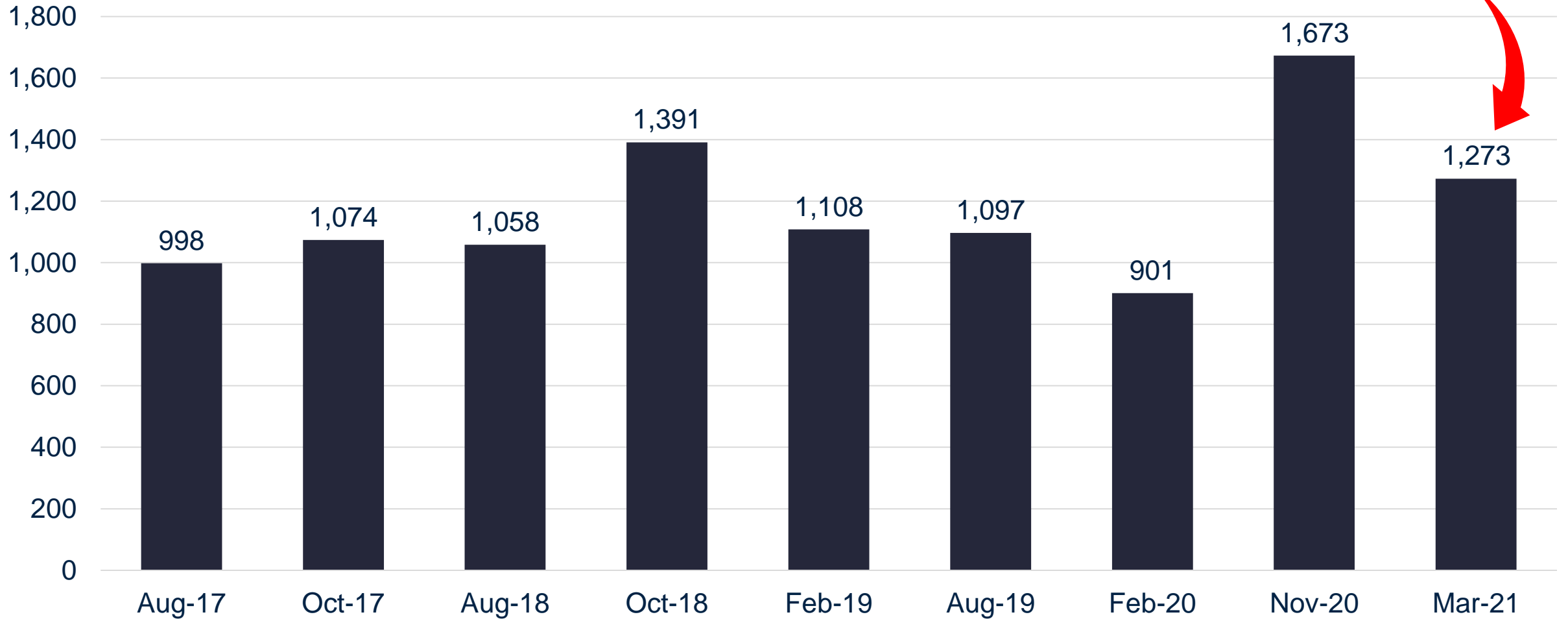
Scottish Prime Index performance - location



Available properties in Scotland's cities on Rightmove

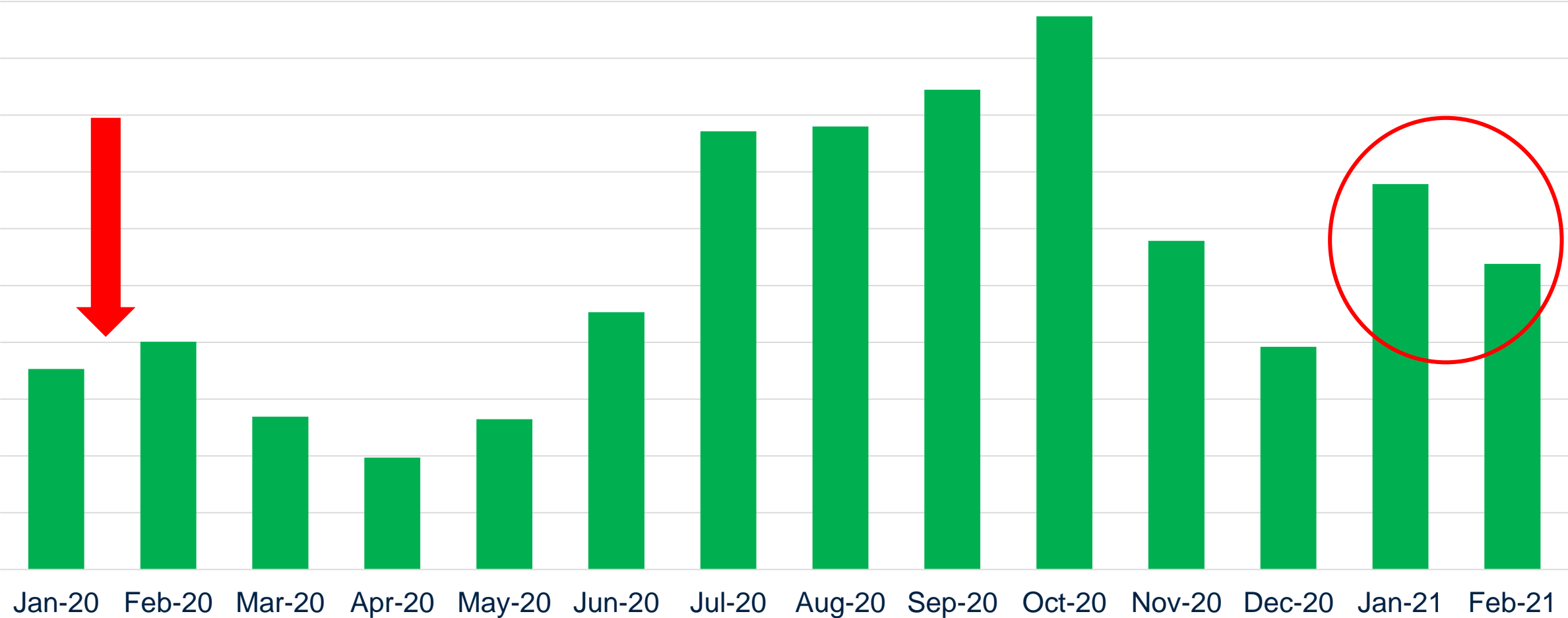


Available properties in Edinburgh on Rightmove

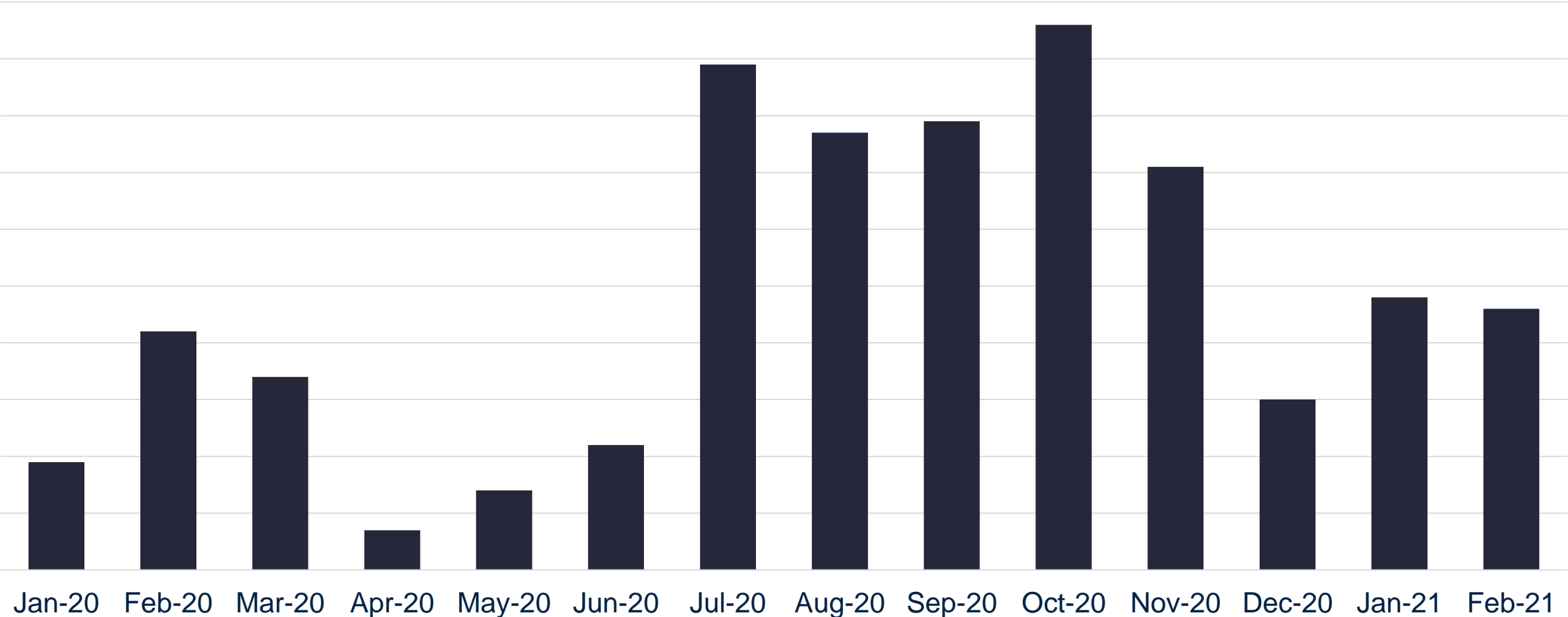


New Buyer Registrations

Scotland



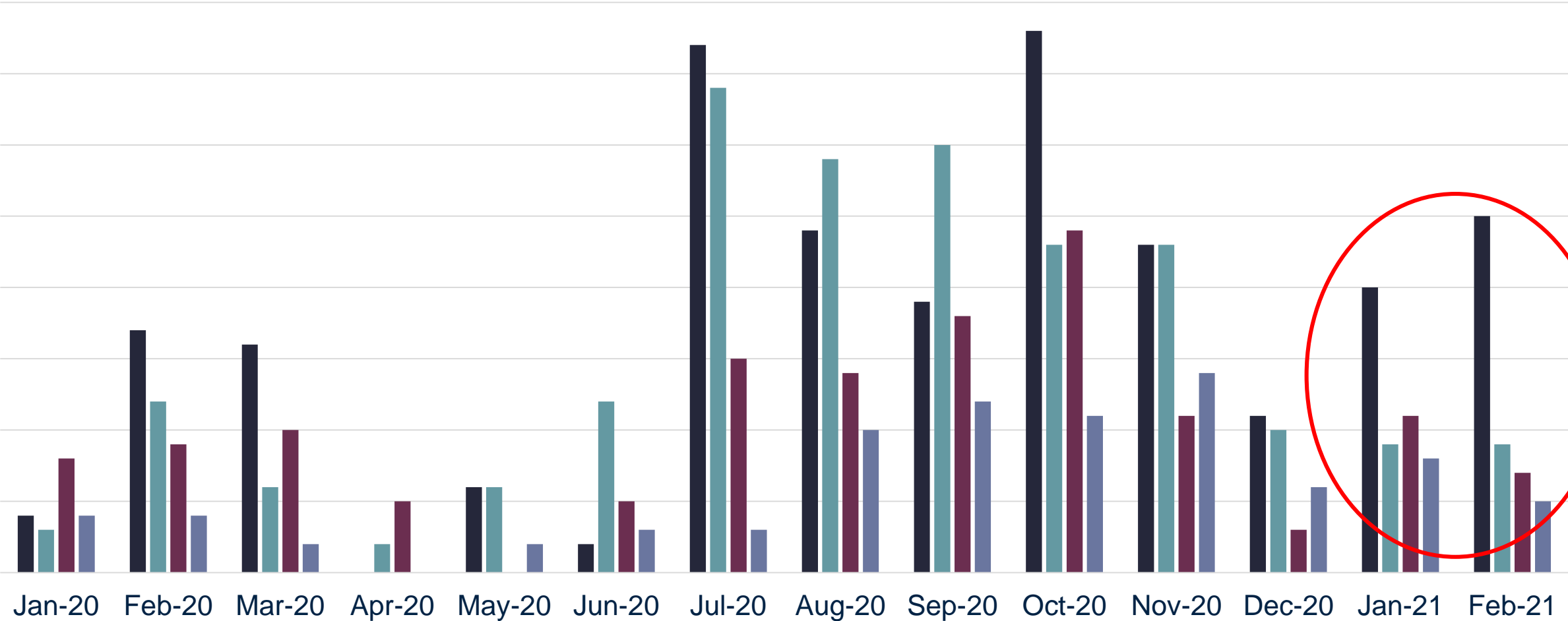
Scotland



Deals



■ Edinburgh - City ■ Edinburgh Country ■ Glasgow ■ North East





Simpson Loan, Edinburgh

1 bedroom apartment with parking space
Offers Over £325,000
Price per sqft £560
Buyer: Scottish Borders



Fairmilehead, Edinburgh

5 bedroom detached house
Offers Over £795,000
Price per sqft £332
Buyer location: Edinburgh



Blackhall, Edinburgh

5 bedroom semi detached house
Offers Over £885,000
Price per sqft £472
Buyer location: Outside Edinburgh

West End, Aberdeen

- 5 bedroom end terraced house
- Offers Over £450,000
- Price per sqft £168
- Buyer: Central Scotland



Cults, Aberdeen

- 5 bedroom semi detached house
- Offers Over £530,000
- Price per sqft £269
- Buyer: Aberdeen

Park District, Glasgow

- 3 bedroom duplex apartment
- Offers Over £795,000
- Price per sqft £419
- Buyer: Overseas

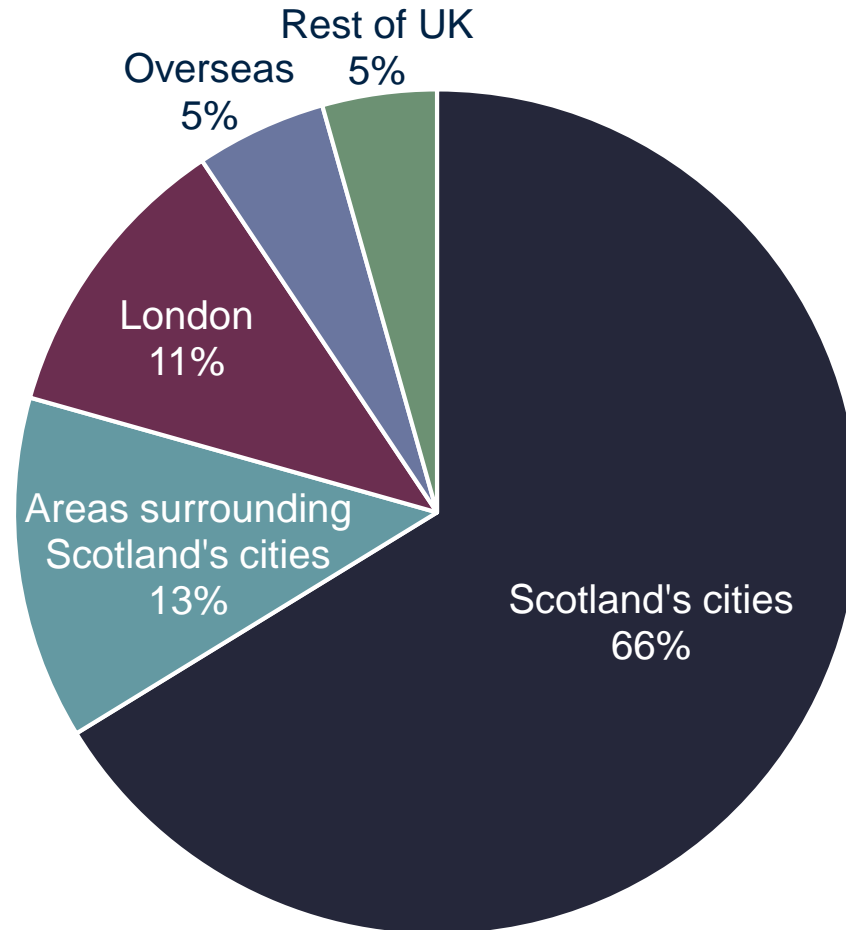


Park District, Glasgow

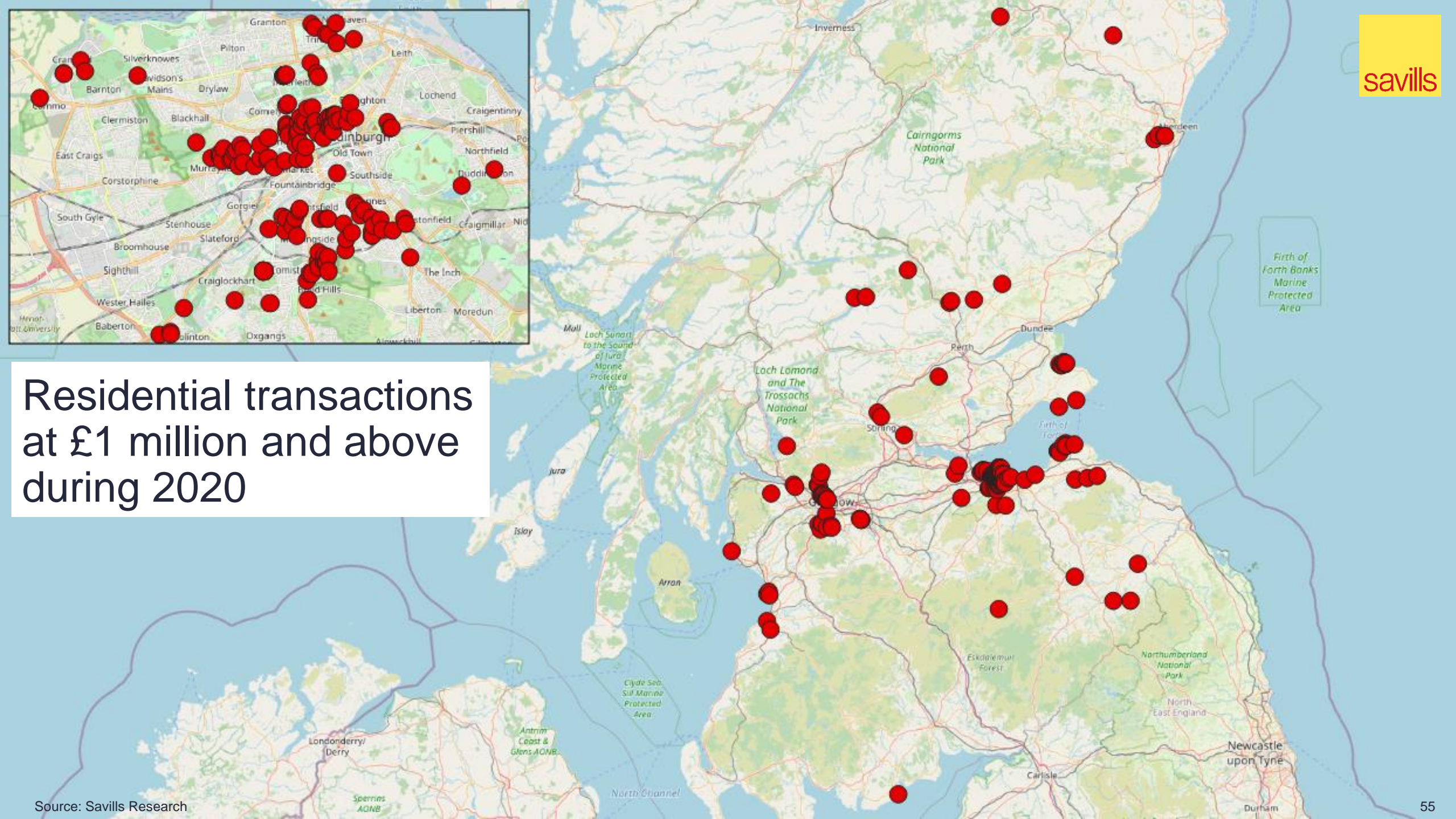
- 4 bedroom main door duplex apartment
- Offers Over £975,000
- Price per sqft £316
- Buyer: Glasgow

Origin of buyers for property sales during 2020 in Scotland's cities

Buyer Origin



Residential transactions at £1 million and above during 2020



Craiglockhart, Edinburgh

5 bedroom detached house with annexe

Offers Over £1.2 million

Price per sqft £450

Buyer location: Aberdeen



Park District, Glasgow

5 storey townhouse in need of full renovation

Offers in the Region of £1.7 million

Price per sqft £265

Buyer: Overseas



Bielside, Aberdeen

4 bedroom detached house

Offers Over £1.45 million

Price per sqft £234

Buyer: Aberdeen





Quality of life
and value for
money



Buoyant
markets but
price sensitive



Strong local
markets but
diversified buyer
locations



Prices stable
and rising

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Thank you

Q&A