

Press Release

Wednesday 19 August 2020



Scottish house moves dip by more than a third

- **Number of homemovers down 37% in first half of 2020**
- **Average price paid up by a third to £225,657 in the last five years**
- **The average deposit required has increased by 14% since 2015**

The number of people moving home in Scotland dropped by over a third (37%) in the first half of 2020, as the global pandemic temporarily halted the property market due to lockdown restrictions.

In the first six months of this year, 9,701 people moved house, down 5,809 (37%) compared with the same period in 2019, according to the Bank of Scotland Homemover Review. (Table 1)

This is the greatest decline since the 2008 banking crisis. In the past decade, the volume of homemovers was at its highest peak in the first half of 2017 when 15,510 people moved to another property.

The drop in Scotland is slightly higher than the UK average, which saw a reduction in homemovers of 31% in the first six months of 2020, a difference of 6%.

Graham Blair, Bank of Scotland Mortgages Director, said: “Never before have we seen the property market shut down the way lockdown demanded. While Scotland saw a more significant drop than anywhere else in the UK, this is likely due to the fact that the easing of restrictions were timed differently across the UK nations, with the Scottish housing market on hold for slightly longer.

“The current stamp duty* holiday and pent up demand has brightened the housing market outlook once again. While uncertainty around the lasting impact of the pandemic remains, at least for now the property market looks more buoyant, with many people planning their next move after months spent at home during lockdown.”

For the third consecutive year there were fewer homemovers than first-time buyers (49% and 51% respectively). In 2010, 62% of buyers were those moving up the ladder as opposed to first-time buyers.

In the last five years, the average price paid by homemovers in Scotland has grown by £ 29,613 (15%) to £225,657 (table 2). The average deposit required by homemovers has increased by 14% over the past five years from £60,886 in 2015 to £69,354 in 2020. This compares to £104,264 and £339,062 respectively at a UK level.

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Average ages and property types

Homemovers are getting younger with an average age of 40 in Scotland, compared to 42 in 2010, while the UK average homemover age is 39.

Detached homes are the most popular homemover property type, with almost a third (30%) of people choosing to move into this sort of property. This is followed by semi-detached houses and flats, at 20% each. Flats are much more popular in Scotland than in any other part of the UK, with the exception of Greater London, where 28% of homemovers are buying flats. The UK average is significantly lower, at just 9%.

***Stamp Duty refers to Land and Buildings Transaction Tax in Scotland**

<http://www.gov.scot/policies/taxes/land-and-buildings-transaction-tax/>

Table 1: Number of homebuyers in Scotland (purchasing with a mortgage)

	Number of Homemovers	Annual % change	Number of First - Time Buyers	Annual % change
2008 H1	21,100		12,660	
2009 H1	11,660	-45%	6,950	-45%
2010 H1	13,510	16%	8,440	21%
2011 H1	11,810	-13%	7,420	-12%
2012 H1	12,860	9%	8,670	17%
2013 H1	12,540	-2%	10,090	16%
2014 H1	14,140	13%	12,620	25%
2015 H1	14,700	4%	12,770	1%
2016 H1	14,700	0%	13,990	10%
2017 H1	15,400	5%	16,410	17%
2018 H1	14,940	-3%	15,320	-7%
2019 H1*	15,510	4%	15,570	2%
2020 H1*	9,701	-37%	10,158	-35%

Source: UK Finance

*Lloyds Bank calculation

Table 2: Homemovers: Average house price % change, 2010-2020**

	2010 £	2015 £	2019 £	2020 £	1 year % change	5 year % change	10 year % change
Scotland	168,977	196,044	221,597	225,657	2%	15%	34%
North	146,235	168,708	201,103	206,610	3%	22%	41%
Yorkshire and the Humber	156,499	183,827	230,969	236,253	2%	29%	51%

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North West	164,200	188,847	245,880	251,821	2%	33%	53%
East Midlands	162,550	191,836	257,019	266,569	4%	39%	64%
West Midlands	178,979	210,391	278,823	284,373	2%	35%	59%
East Anglia	193,829	245,861	321,739	324,515	1%	32%	67%
Wales	158,321	181,104	218,120	231,210	6%	28%	46%
South West	218,500	256,290	330,392	340,122	3%	33%	56%
South East	263,230	342,042	457,419	466,836	2%	36%	77%
Greater London	339,612	482,861	643,801	658,450	2%	36%	94%
Northern Ireland	164,937	151,152	189,182	194,028	3%	28%	18%
UK	207,115	255,508	324,550	339,062	4%	33%	64%

Source: LBG calculations

**12 months rolling average to June

Table 3: Homemovers: Average price and deposit by region, 2020**

Region	Average House Price 2020 (£s)	Average Deposit 2015 (£s)	Average Deposit 2020 (£s)	Deposit as % of purchase price 2020	5 Year % Change in Deposit
Scotland	225,657	60,886	69,354	31%	14%
North	206,610	51,984	59,198	29%	14%
Yorkshire and the Humber	236,253	59,861	68,832	29%	15%
North West	251,821	57,633	68,191	27%	18%
East Midlands	266,569	63,185	79,168	30%	25%
West Midlands	284,373	73,828	86,178	30%	17%
East Anglia	324,515	96,226	109,054	34%	13%
Wales	231,210	58,613	69,033	30%	18%
South West	340,122	99,787	114,207	34%	14%
South East	466,836	127,395	145,275	31%	14%
Greater London	658,450	177,127	206,374	31%	17%
Northern Ireland	194,028	43,269	57,162	29%	32%
UK	339,062	89,909	104,264	31%	16%

Source: LBG calculations

**12 months rolling average to June

Table 4: Homemovers' purchases by property type 2020*

	Home Movers

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	Semi Detached	Detached	Terraced	Bungalow	Flats
Scotland	20%	30%	18%	12%	20%
North	34%	28%	25%	8%	4%
Yorkshire and the Humber	35%	28%	25%	9%	3%
North West	38%	27%	24%	7%	5%
East Midlands	32%	42%	15%	8%	2%
West Midlands	34%	37%	19%	5%	5%
East Anglia	23%	39%	20%	15%	3%
Wales	28%	33%	26%	9%	4%
South West	26%	30%	25%	11%	8%
South East	27%	32%	23%	9%	8%
Greater London	24%	9%	37%	2%	28%
Northern Ireland	29%	36%	14%	18%	3%
UK	29%	30%	23%	9%	9%

Source: LBG calculations

*12 months to June

The **Bank of Scotland Homemover Review** tracks conditions for those who already own a home. The review is based on data from the Lloyds Banking Group house price database, UK Finance, the Office for National Statistics and the Bank of England.

¹ Crude average house price over the 12 months to June 2020

² Bought with mortgage finance

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DATA SOURCES:

This research is based on data from the Lloyds Banking Group housing statistics database as well as UK Finance, the Office for National Statistics and the Bank of England.

House Prices. The prices used in this research are simple arithmetic ('crude') averages. These prices are not standardised and therefore can be affected by changes in the sample from period to period.

Historic figures on the number of homemovers and first time buyers have been sourced from UK Finance.

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