



Escape to the Country

"With the Covid-19 pandemic accelerating the reality of home working, and making households re-evaluate their home as more than just a place to sleep, many families are now looking further-afield to find their ideal home. This pattern has seen enquiries for quality rural properties outstrip supply in the Summer and Autumn markets."



Chris Hall
Director of Rural &
Professional Services

Key Findings

- Demand for rural homes has spiked post-lockdown as families and remote working have opened up lifestyle options.
- The average price of a detached homes in an accessible rural location in Scotland is £284k; this is £74k, or -20%, less than the average price of a detached home in a large urban area.
- Supply in the rural Scottish market is down -27% in Q1-Q3 2020 compared to the same period in 2019, leading to an undersupply in the market.
- Rural areas in within the economic sphere of the major cities, such as East Lothian and Renfrewshire, command the highest rural values.

The Cost of Country Living

The lockdown and rise of working from home has made the dream of country living more achievable and practical than ever before. This has been reflected in a surge in enquiries and registrations for rural homes when lockdown restrictions were lifted over the Summer. This surge is understandable given the value and lifestyle benefits that appear to be available.

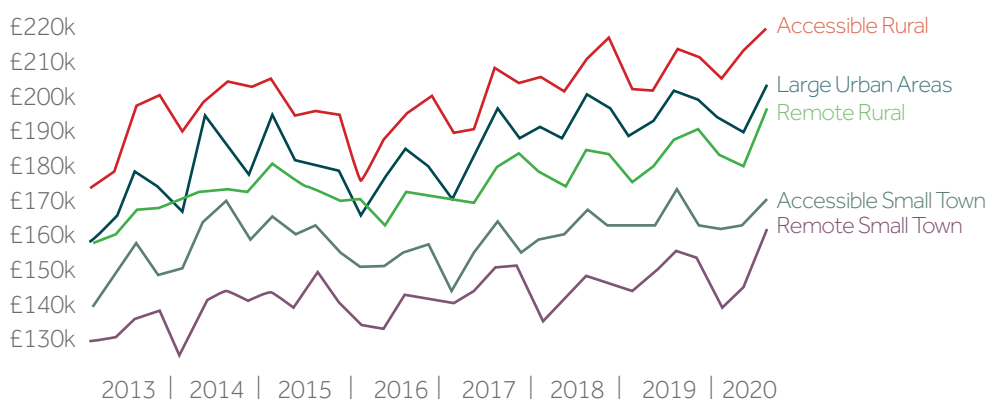
In Scotland the price of an average detached family home in a large urban settlement, is over £350,000, whilst the average cost in an accessible rural location is £74,000 less (see Fig.3). If you choose to move to a remote rural location, then the average price of a detached house is over £120,000 less.

However, as one might expect, this value is not uniform across the country. If you wish to live in a rural detached home that is within the hinterland of Edinburgh, such as Peeble-shire, Midlothian or East Lothian, then you can expect to pay anything from just under 50% to 75% above the national average for a rural detached homes of c.£265,000.

Indeed, in East Lothian, which is the most expensive county for rural home you would need just under £200,000 more to meet the £458,000 average for a detached home. Premiums for proximity to major urban centres are typical with Renfrewshire 32% above the national average, while Stirlingshire is over 20%. (see Fig.6). However, given that the average price of a detached home within Edinburgh is now over half a million pounds, these premiums might look like good value when combined with a rural lifestyle.

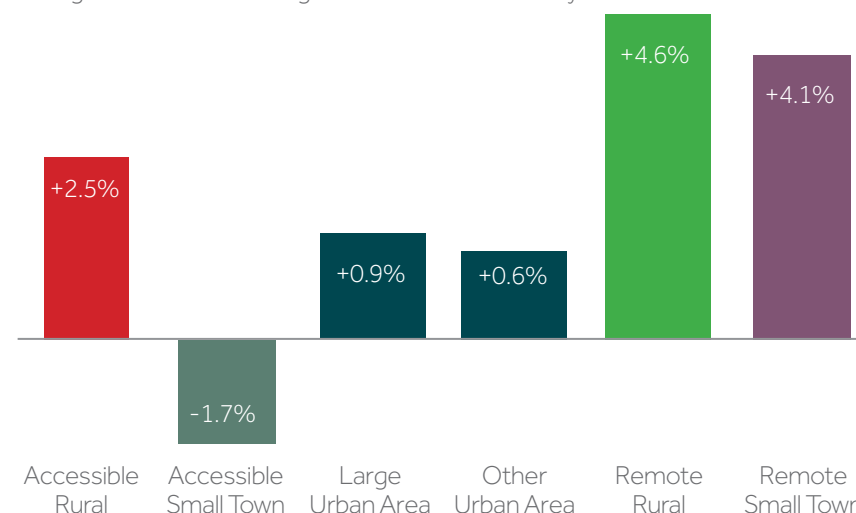
Against this backdrop the Rural & Country Homes market has seen average house prices in the year to Q3 2020 rise faster than urban areas (see Fig.2) with accessible rural locations up +2.5%. Remote locations have also seen a jump, up over 4% year-on-year to Q3 2020. Part of this jump has been down to constrained supply. Whilst supply coming to the market was quick to rebound in Q3 (see Fig.5), the overall number of rural properties that have come to the market over Q1 to Q3 2020 remains -27% down across Scotland. This has meant that where quality properties have become available demand has been strong. While the rural market in Scotland accounts for only around 17% of all transactions annually, there can be no doubt that Covid-19 has opened up new locations to a raft of new buyers who are now actively seeking to make a lifestyle move.

Fig.1 Accessible rural areas have the highest average house prices
Average House Prices by Urban Rural Classification



Source: Registers of Scotland

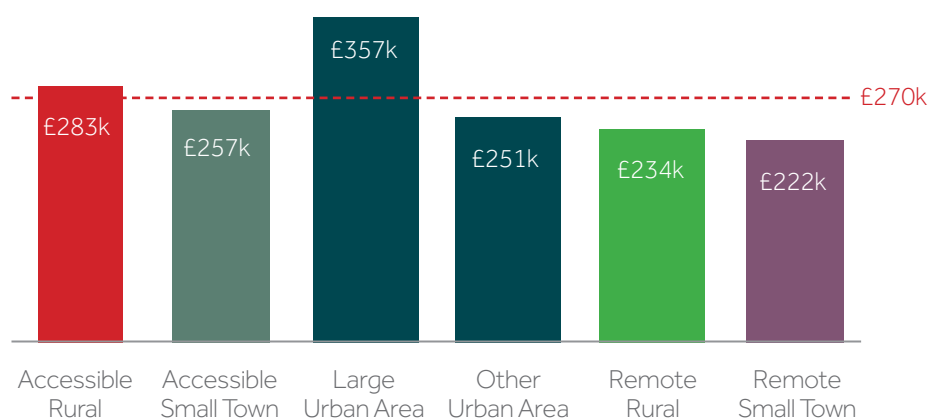
Fig.2 Rural areas have seen the strongest price growth in the past year
Average House Price Change Q3 2020 vs Q3 2019 by Urban vs Rural Classification



Source: Registers of Scotland

Fig.3 Living in accessible rural locations comes at a premium to more remote areas

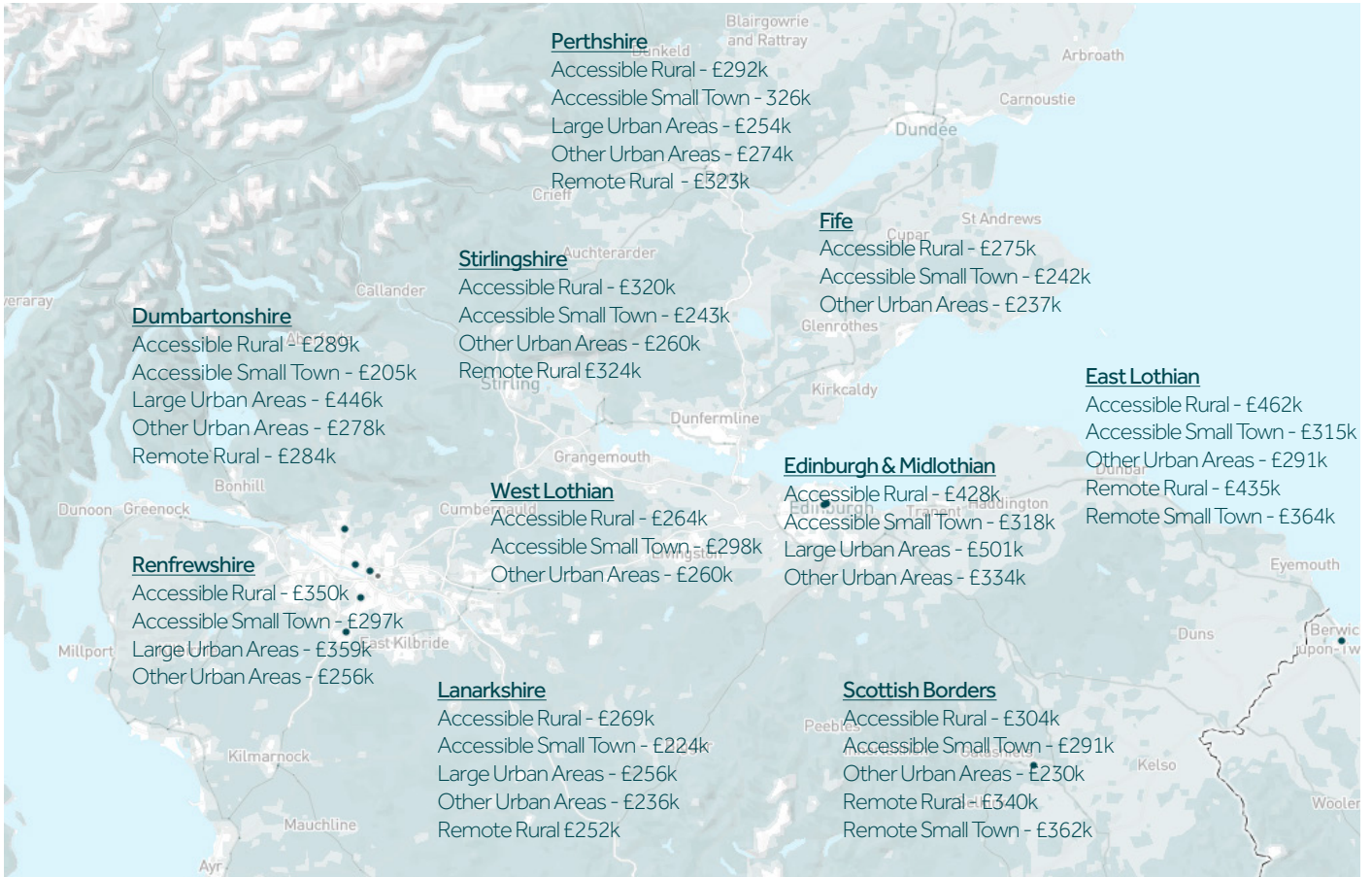
Average Detached House Price in Q1-Q3 2020 by Urban vs Rural Classification and percentage difference from the overall average.



Source: Registers of Scotland

Fig.4 Accessible rural areas have the highest average house prices

Average Detached House Price by Region and Rural Urban Classification Q1-Q3 2020. N.b. Not all areas have all classifications.



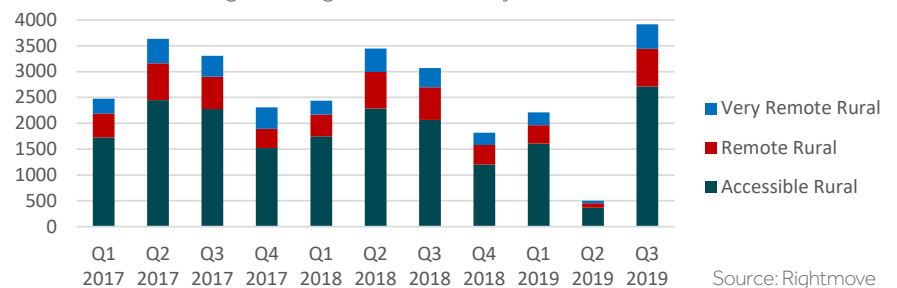
Source: Registers of Scotland

-27%

Supply of rural homes coming to the market in Q1-Q3 2020 is down on the same period in 2019

Fig.5 Rural Supply rebounded sharply in Q3 2020

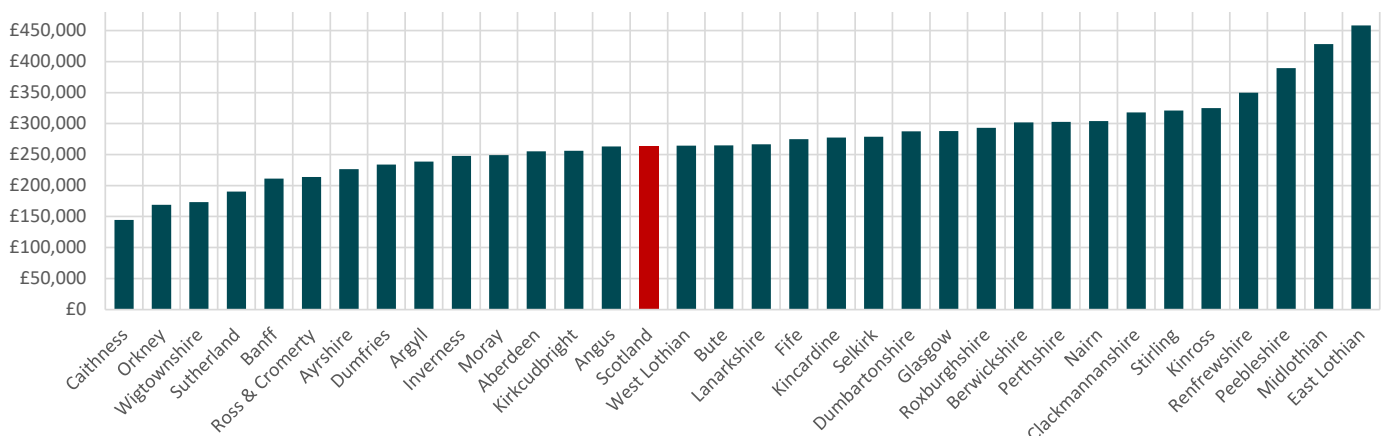
Count of Rural Listings coming to the market by Quarter



Source: Rightmove

Fig.6 The Edinburgh commuter hinterlands of East Lothian and Midlothian have the highest average price for detached rural homes

Average Rural Detached House Price by Region in 2020



Source: Registers of Scotland

Properties for Sale



Tullybelton Estate
Bankfoot, Perth, PH1
Offers Over £6,750,000
250 Acres



Borthwick Hall
Heriot, Midlothian, EH38
Offers Over £1,950,000
10 Beds, 4 Reception



Blinkbonny House
Nr Haddington, EH41
Offers Over £1,900,000
5 Beds, 3 Reception



Bannoc House
Lasswade, EH18
Offers Over £1,850,000
7 Beds, 5 Reception



Tynebank House
Haddington, EH41
Offers Over £1,075,000
5 Beds, 3 Reception



Dinning House and Cottage
Gargunock, FK8
Offers Over £975,000
6 Beds, 3 Reception



The Great Lodging & Red House
Anstruther, KY10
Offers Over £940,000
8 Beds, 5 Reception



Adniston Manor
Nr Macmerry
Offers Over £860,000
5 Beds, 4 Reception



Skirling
Biggar, ML12
Offers Over £795,000
9 Beds, 2 Reception



Brewery House & Cottage
Mid Calder
Offers Over £785,000
5 Beds, 4 Reception



Abbots Law
North Berwick
Offers Over £720,000
5 Beds, 2 Reception



Camptoun Holdings
Drem, EH39
Offers Over £715,000
1 Beds, 1 Reception



Mills of Earn
Auchterarder, PH7
Offers Over £690,000
4 Beds, 4 Reception



Allanfield, Tullibardine
Auchterarder, PH3
Offers Over £650,000
5 Beds, 2 Reception



The Stables,
Balhagan Equestrian, AB45
Offers Over £650,000
4 Beds, 2 Reception



Lochloch & tinto Trout Fishery
Thankerton, Biggar, ML12
Offers Over £215,000
2 Bed, 1 Reception

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