Rettie Research Report

RETTIE

Highland & Islands Housing Market Briefing 2026

Highlands & Islands
Town & Country Living.

Introduction.

This Briefing looks at the housing market across the Highland region and the Scottish islands in the west and north of the country.

This is a vast geographical area and there are a high number of settlements and variety of housing market areas contained within it. Many of the areas are small, therefore a number of years of data were combined to produce meaningful analysis.

The data shows that the housing markets in these areas work reasonably well, with above average price growth and notable price premiums in sought-after areas, especially for detached homes. The rising Council Tax levels on second homes in the area is increasing sales but not markedly so yet.

Argyll & Bute

“Scotland’s rural and country property market continues to evolve, with buyers placing increasing emphasis on lifestyle, space, energy efficiency, and digital connectivity.

Across the West and North of Scotland, market activity remains healthy, although conditions are now more balanced than the exceptionally competitive period during and immediately following the pandemic. Buyers are increasingly discerning, while well-presented, accurately priced homes continue to generate strong levels of interest.

The Town & Country West team at Rettie operates across some of Scotland’s most desirable rural locations, including Argyll & Bute and the Highlands & Islands. These regions offer a diverse range of properties, from coastal cottages and family homes to substantial country houses and estates, attracting both local purchasers and lifestyle-driven buyers from across the UK.

Demand continues to be underpinned by purchasers seeking greater access to outdoor space, flexible working opportunities, and an enhanced quality of life. Homes with land, attractive views, strong energy performance, and convenient access to transport links remain particularly sought after, reflecting the long-term appeal of Scotland’s rural market.”

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Key *findings*.

01. **The average house price in Highland & Islands has grown at a faster rate than that of Scotland in the last decade.**

02. **The top settlements in the region achieve notable premiums relative to the national average.**

03. **Detached properties in parts of Highland & Islands command a significant premium.**

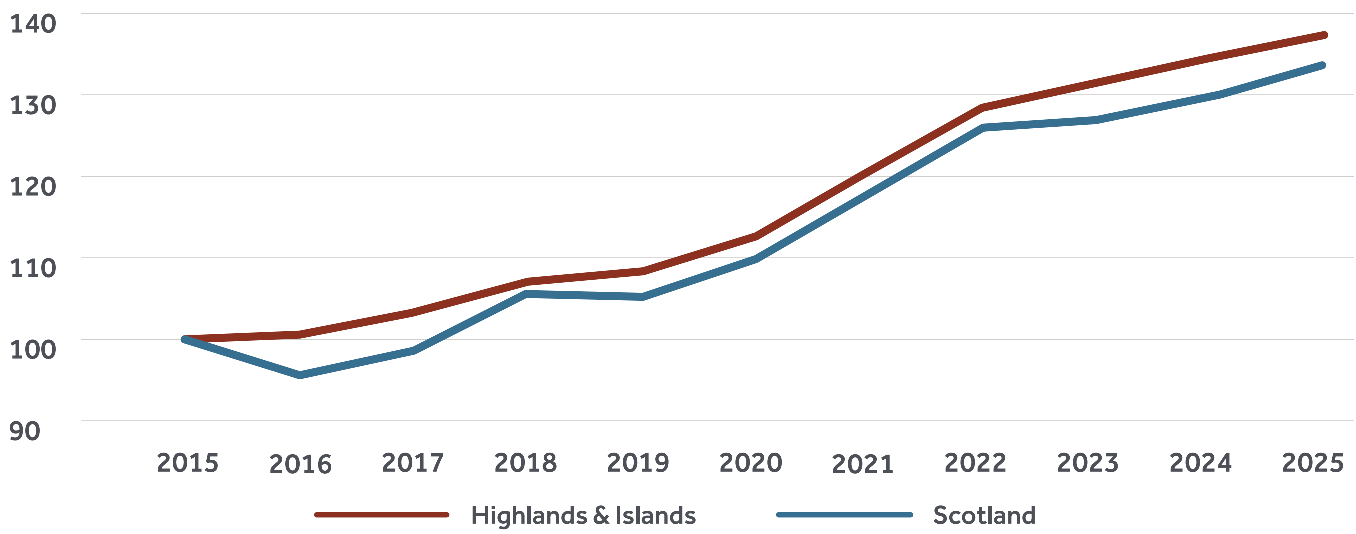
Key findings *explored*.

01. **The average house price in Highland & Islands has grown at a faster rate than that of Scotland in the last decade.**

Since 2015, the average house price in Highland & Islands has grown by nearly 40% and at a faster pace than that of Scotland (with growth just over 30%). The average house price in Highland & Islands is currently around £204,000, a little below the national average.

The average house price in Highland & Islands has grown at a faster pace than the national average.

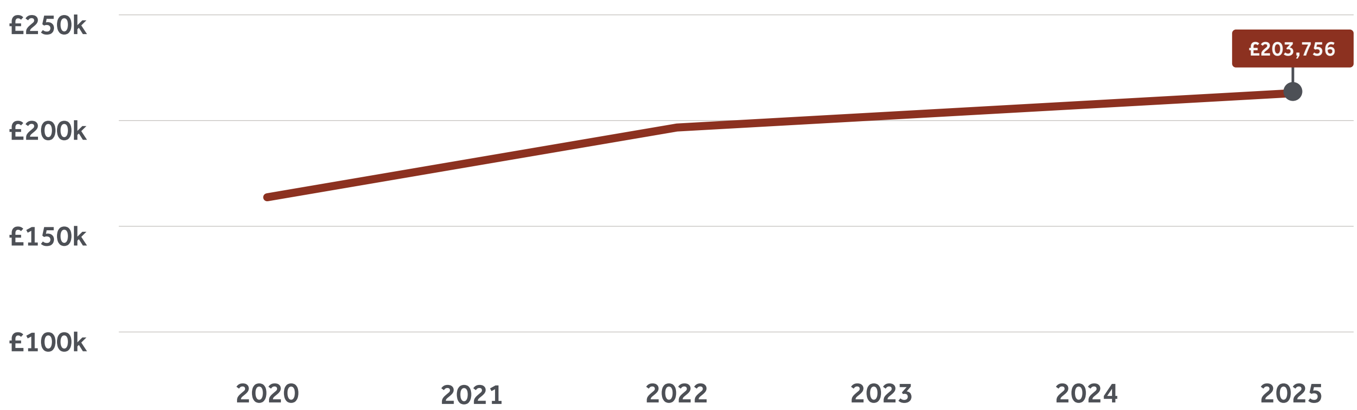
Indexed Average House Price Growth in Highland & Islands and Scotland, 2015-25 (2015 = 100).



Source: Rettie analysis of @Crown Copyright Registers of Scotland

The average house price was just under £204,000 in 2025.

Average House Price in Highland & Islands, 2020-25.



Source: Rettie analysis of @Crown Copyright Registers of Scotland

Key findings *explored*.

02. **The top settlements in the region achieve notable premiums relative to the national average.**

The top 10 settlements with the highest average five-year house price in Highland & Islands were well above the national equivalent of c.£205,000.

Nethy Bridge (just north of Aviemore) had the highest average house price in this time in the region, averaging around £358,000, and was the 17th highest in Scotland. Spean Bridge (just north of Fort William) was second, also with an average price over £300,000. Whiting Bay (on Arran) and Rosemarkie (near Fortrose) ranked third and fourth, achieving 5-year average prices of around £295,000 and £273,000 respectively. Newtonmore (just south of Kingussie) was in fifth place, with an average price of around £268,000.

The top 3 settlements in the Highland & Islands were all in the top 50 Scottish settlements with the highest average house price in Scotland in the last five years.

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There were around 23,800 sales in the region since 2020. The value of property sold (market turnover) significantly increased in the region in this time, up by c.37% due to rising prices and sales.

The Top 10 settlements in the region averaged above £250k for a 5-year average house price.

Average House Price and Count of Sales in Top 10 Settlements in Highland & Islands, 2020-25.

Regional Rank (National Rank)	Settlement	Av. House Price	Count
1 (17)	Nethy Bridge	£357,634	65
2 (40)	Spean Bridge	£301,199	42
3 (42)	Whiting Bay	£294,599	84
4 (76)	Rosemarkie	£272,919	88
5 (80)	Newtonmore	£267,452	105
6 (84)	Fortrose	£267,212	166
7 (90)	North Kessock	£265,657	121
8 (99)	Brodick	£264,577	137
9 (106)	Gairloch	£258,317	69
10 (108)	Dornoch	£256,694	175

Source: Rettie analysis of @Crown Copyright Registers of Scotland

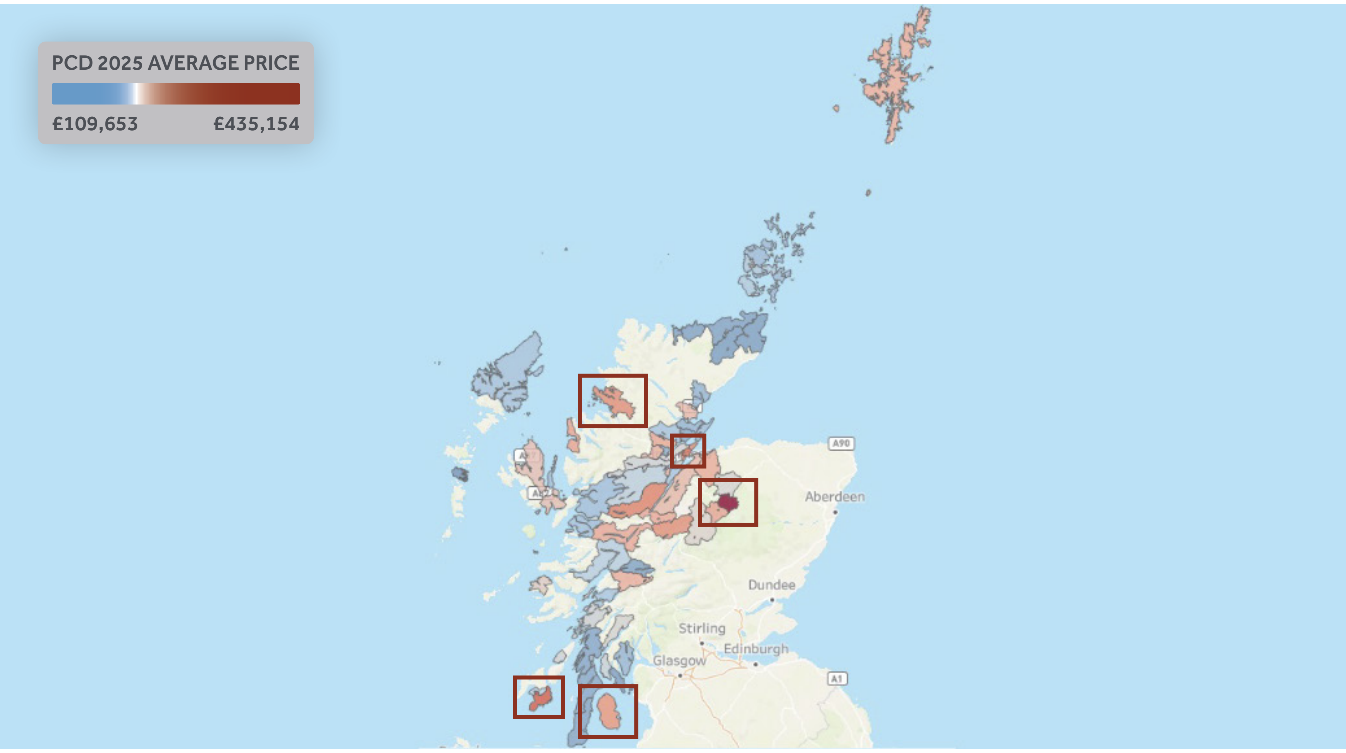
23,783 sales
Number of Sales in Highland & Islands, 2020-25

+37%
Change in Market Turnover in Highland & Islands, 2020-25

The 'hot spots' are captured in the map below, where the higher values in the region can easily be observed around Aviemore/Nethy Bridge, the Inner Moray Firth, around Ullapool and the islands of Arran and Islay. These also tend to be the areas where house prices have been rising fastest in recent years.

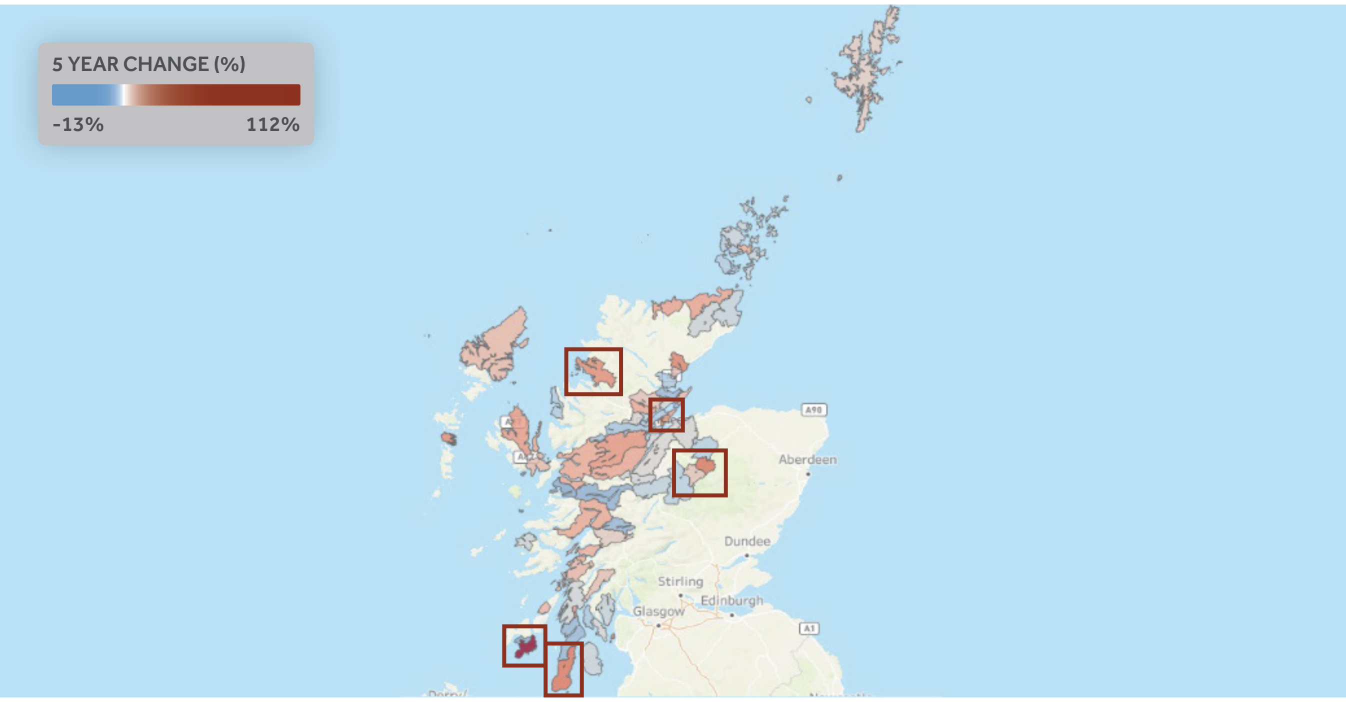
There are various hot spots around the region.

Average House Price in Highland & Islands by Postcode District, 2025.



These same hot spots have also had the fastest rising prices in recent years.

Average House Price Change in Highland and Islands by Postcode District, 2020-25.



Source: Rettie analysis of @Crown Copyright Registers of Scotland

There was a significant recovery in transactions in 2021 after the pandemic, but this dropped back sharply in 2022-23 as rising interest rates cooled the market. There has been steady recovery averaging around 7% per annum in recent years, which is in line with the national trend.

Although the size of the market is relatively large, volatility is still expected and can be seen in the 2022-23 trends, with transactions down by around 15% per annum. Since then, activity has been on an upward trend, increasing by around 10% in 2024 and a further 3% in 2025.

Growth in market transactions in Highland & Islands vs Scotland, 2020-25.

Year	Highland & Islands	Scotland
2020		
2021	35%	37%
2022	-15%	-12%
2023	-14%	-10%
2024	10%	5%
2025	3%	5%

Source: Rettie analysis of @Crown Copyright Registers of Scotland

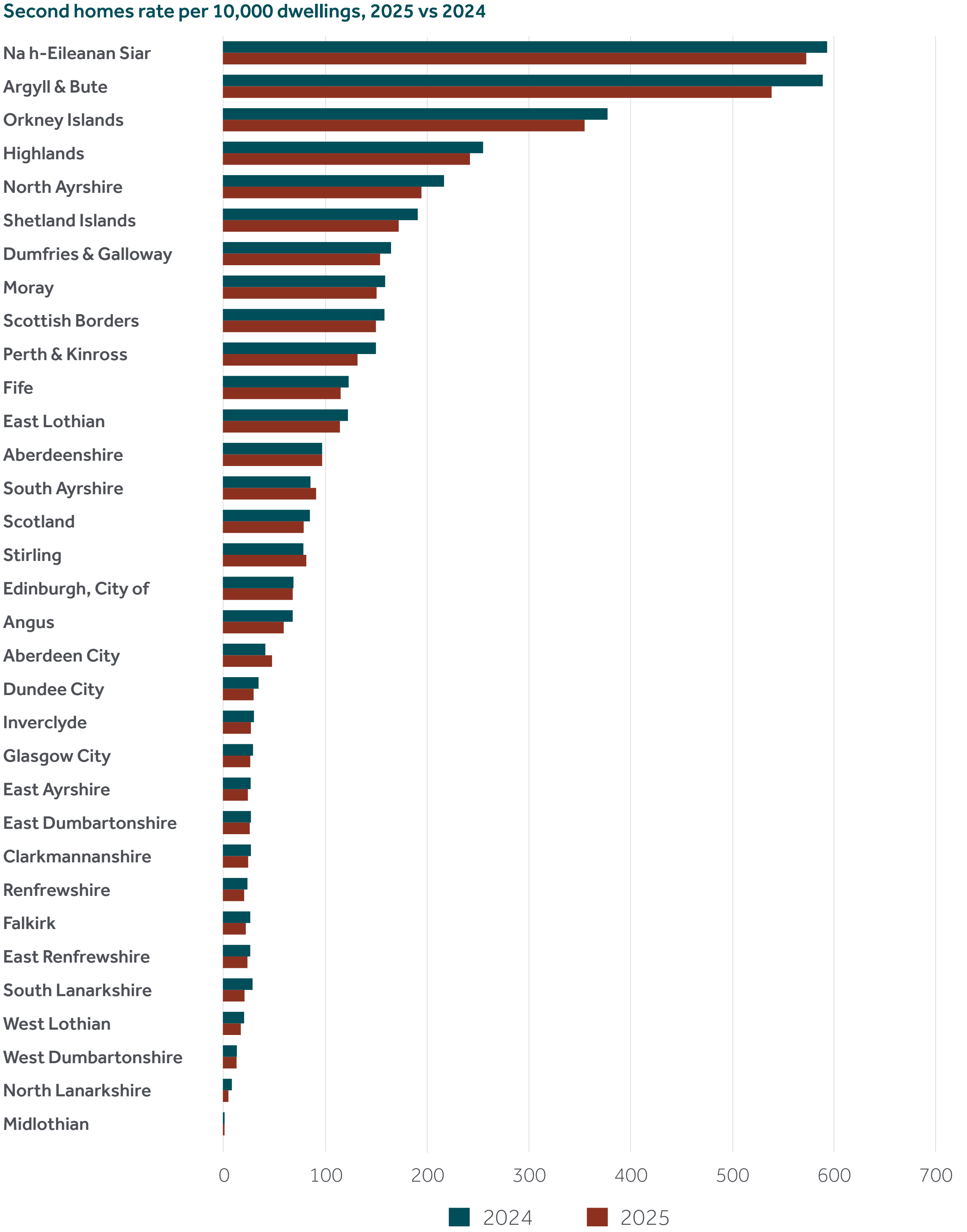
In common across Scotland, Highland Council and Argyll & Bute Council introduced a premium Council Tax charge of 100% on second homes in April 2024, meaning that all non-primary homes would be charged double Council Tax. This has further increased in April 2026, with the premium rising to 200% in Highland (i.e. second homeowners now paying a triple Council Tax charge) and 110% in Argyll & Bute (paying 210% of the Council Tax rate).

The local authorities with the highest second homes rates per 10,000 dwellings in Scotland include the Western Isles, Argyll & Bute, Orkney Islands and Highland. Sharply rising Council Tax levels will be a factor in people deciding whether to keep their second home in these locations. If a number decide to sell, this will likely boost transaction activity in these areas. There does seem to have been some movement over 2024-25, with the rate of second homes dropping back a little but not in a pronounced way as yet.

Lochgilphead

The number of second homes has dropped back a little across most Scottish local authority areas.

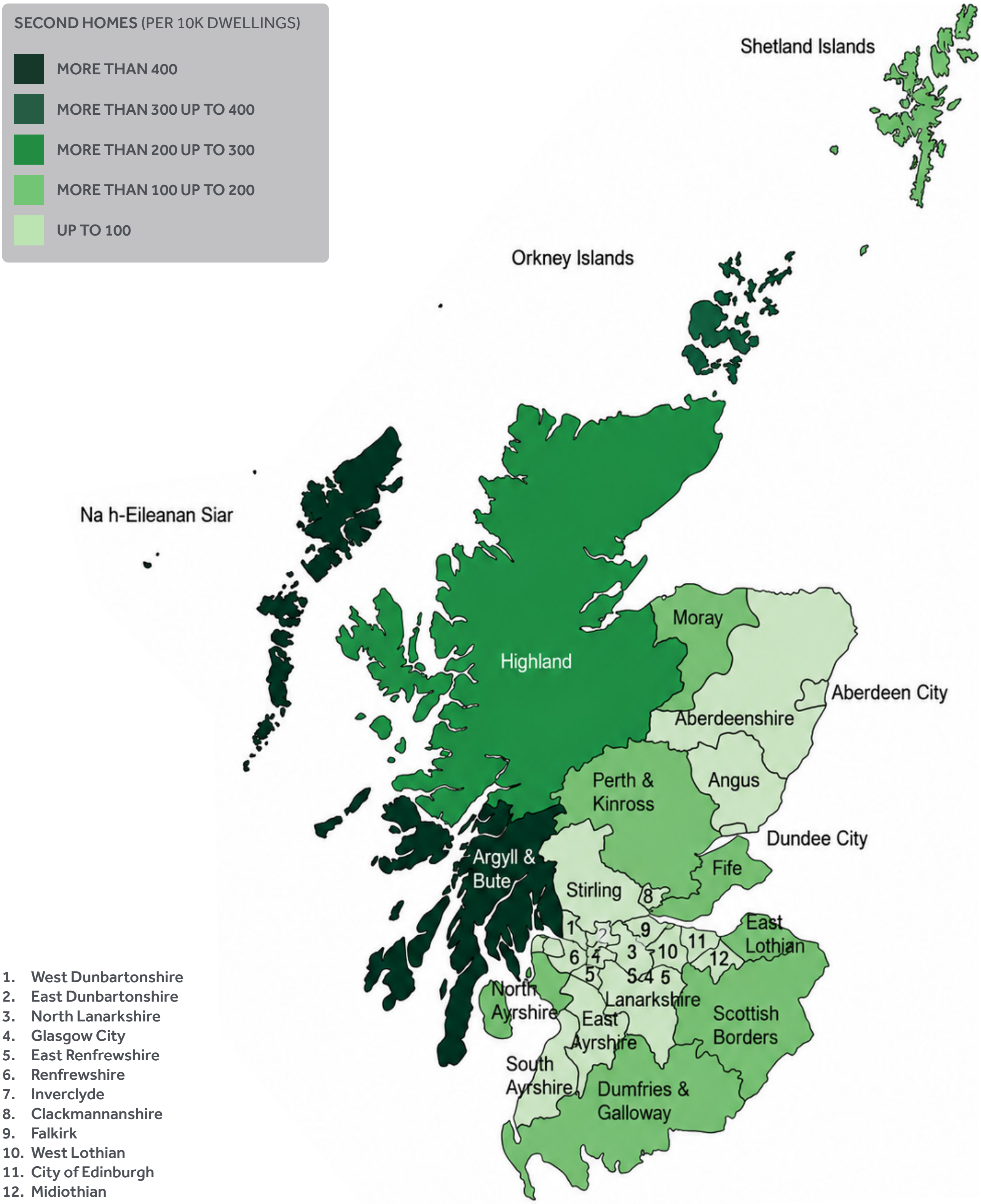
Number of Second Homes rate per 10,000 dwellings by Local Authority, 2025 vs 2024



Source: Scottish Government

The highest proportions of second homes can be found in the Highland & Islands regions.

Map of Second Homes rate per 10,000 dwellings by Local Authority, 2025



Sources: © Crown copyright and database rights. Made with Natural Earth. OS 100024655. The Scottish Government 16 December 2025

Key findings *explored*.

03. **Detached properties in certain parts of Highland & Islands command a significant premium.**

Detached homes command a significant premium in Highland & Islands.

Port Ellen (on Islay) had the highest average detached house price in the region in 2025, at £473,000. Nethy Bridge was second (£435,500), Beauly was third (c.£375,000), with Aviemore and Campbeltown fourth and fifth respectively, with similar average prices of a little over £370,000.

8 of the Top 10 settlements had a higher average detached house price than the Scottish average of £350,000 in 2025.

There is a premium for detached homes across the region.

Average House Price in Top 10 Settlements in Highland & Islands, 2025 (only settlements with 5 or more sales were considered).

Rank	Settlement	Average Detached Price
1	Port Ellen	£473,000
2	Nethy Bridge	£435,222
3	Beauly	£374,629
4	Aviemore	£371,719
5	Campbeltown	£370,645
6	Ullapool	£370,500
7	Oban	£355,891
8	Kingussie	£351,417
9	North Kessock	£345,778
10	Fortrose	£337,219

Source: Rettie analysis of @Crown Copyright Registers of Scotland

Summary.

The Highland & Islands of Scotland have experienced impressive recent house price growth as demand has increased for more rural living post-pandemic. There are clear 'hot spots', especially around the main populated settlements and in areas that offer attractive lifestyles.

The Council Tax premium is not yet having a marked effect in sale levels but this will be something to watch as the premiums rise.

To speak with our Town & Country West Team, or to arrange your free market appraisal, please get in touch.

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Oban

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