

Class Act



- Market Overview ▪ National Trends
- Spotlights: Edinburgh, Glasgow, Aberdeen, Dundee & more
- Agent Views ▪ Postcode & Town Analysis: Localised Rental Prices
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- ESPC: Strong Choice for Edinburgh Homebuyers as Market Stays Lively
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Market Overview

The Housing (Scotland) Bill passed on the last day of the quarter to bring an end to a long period of uncertainty as regards the future regulatory environment of the Scottish PRS. Whilst the bill awaits Royal Assent to become an Act, it can be fairly assumed to become law given zero history of failure at this latter procedural stage since the start of the Scottish Parliament.

Whilst landlords will not welcome the spectre of rent controls, pervasive lobbying from industry groups has ensured that, in general, rents will be able to be increased by CPI plus one to a maximum 6% per year in any RCA.

It must be noted that this level of rental price inflation, when viewed over the medium to long term, is above anything recorded in any major market in Scotland over the past 18 years of Citylets reporting. 6% compounded over 10 years represents a 79% increase. Notwithstanding the period post emergency legislation that fuelled rent rises at unprecedented levels,

rarely - even in the country's hotspots - have rents risen above 6% year on year.

In that context, this is a form of rent control that can be lived with. Both sides of debate have been left short of their ideals, very often a sign that a balance between competing demands has been met.

Most in the industry seem happy that the matter of future regulation is now at least settled, regardless of sentiments that proposals were put forward in the first place. Soundbite politics will ensue with the catchy but polarising narrative that 'rents are now controlled' which will appeal to tenants. It presumes this was a requirement that needed to be met, but the data does not support this view. True, of course, it introduces predictability as regards maximum annual increases, but it is unlikely to make the outcome for actual rent values necessarily any better off over the long term.

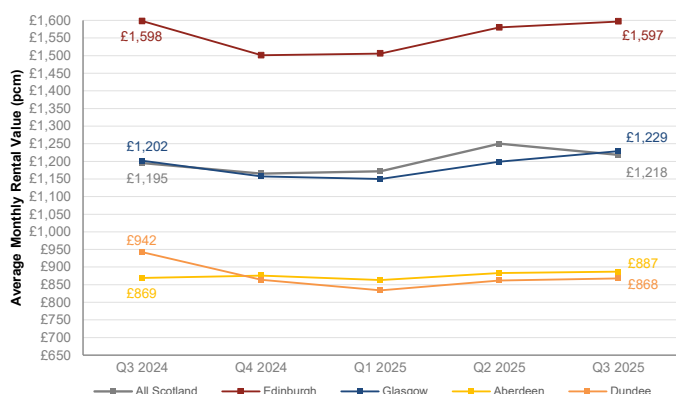
However the vote winning nutshell is now secured and will appeal to many

on an emotional level without any concern or awareness for concise economic analysis on how this may impact the character of the market.

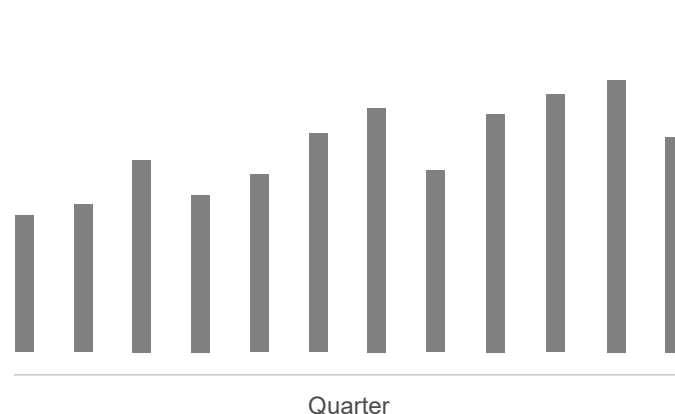
Consistent with many recent quarters, industry anxieties induced by Scottish government have been amplified by policies from Westminster, real or suggested, including the unhelpful speculation that rental income may soon be subject to national insurance after the next budget.

Meanwhile growth in the Scottish PRS has completed its downward journey and returned to a sanguine trajectory with annual growth recorded of just 1.9% at the National level, almost 50% down from last quarter - a level not seen for nearly 5 years. Many agents report a balance between strong demand and good supply with a general return to recognisable market seasonality. Scotland's major cities posted tepid growth in the range of circa 0-2% but with Dundee again recording a significant annual fall at minus 7.9%.

Scottish Monthly Rent Analysis (Q3 2024 - Q3 2025)



Scotland - Average Stock Levels (Q4 2022 - Q3 2025)



Citylets commentary is provided by Thomas Ashdown. Please direct media enquiries to press@citylets.co.uk or hello@citylets.co.uk for general enquires about our reports and statistics.

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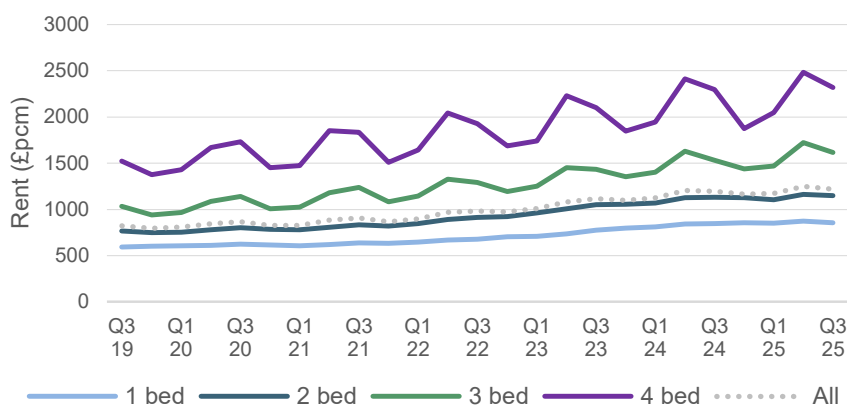
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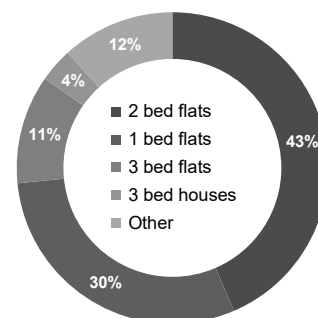
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£857	1.3%	37.6%	55.5%	22	4	25%	76%
2 bed	£1,149	1.4%	43.4%	59.6%	26	5	18%	68%
3 bed	£1,617	5.5%	41.8%	76.1%	30	0	16%	60%
4 bed	£2,321	1.0%	33.9%	71.2%	35	2	13%	56%
All	£1,218	1.9%	40.8%	60.9%	26	3	20%	69%

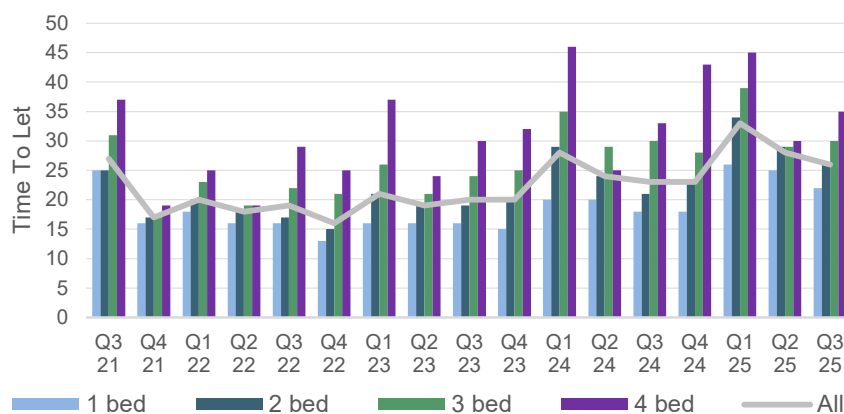
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2008	100.0	101.6	102.8	100.2
2009	98.8	98.1	99.2	97.7
2010	98.9	101.4	100.6	99.8
2011	100.3	102.8	103.9	101.7
2012	102.9	104.2	105.0	104.0
2013	104.7	107.4	106.5	105.1
2014	108.4	112.1	114.1	113.5
2015	116.4	118.1	117.4	115.7
2016	118.9	120.5	120.2	114.6
2017	119.1	122.3	119.7	113.8
2018	120.9	123.9	122.3	119.5
2019	122.9	129.1	127.3	123.6
2020	125.7	130.9	134.1	128.1
2021	128.1	136.9	140.5	134.7
2022	138.9	150.4	152.1	150.7
2023	156.1	167.6	172.9	170.1
2024	174.1	187.1	185.3	180.6
2025	181.7	193.8	188.8	



Rentlocally.co.uk - Lyndsay Yuill

"The letting market in Scotland has fluctuated considerably in the last three years due to legislation changes. Rents have increased considerably due to the rising mortgage costs and legislation changes between 2022-2024. However, this year we have seen the rents plateau and start to come down slightly, which is reflective of both the cost of living impacting tenant affordability and decreasing interest rates throughout 2025. Rents will be under review across the country ahead of the rent controls in the Housing (Scotland) Bill becoming law. Investment in the private rental sector is essential to ensure rents remain affordable and competitive."



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The current Housing (Scotland) Bill includes proposals for rent control which could cause significant damage to the rented sector.

To support our efforts to amend this please sign up to support us at:

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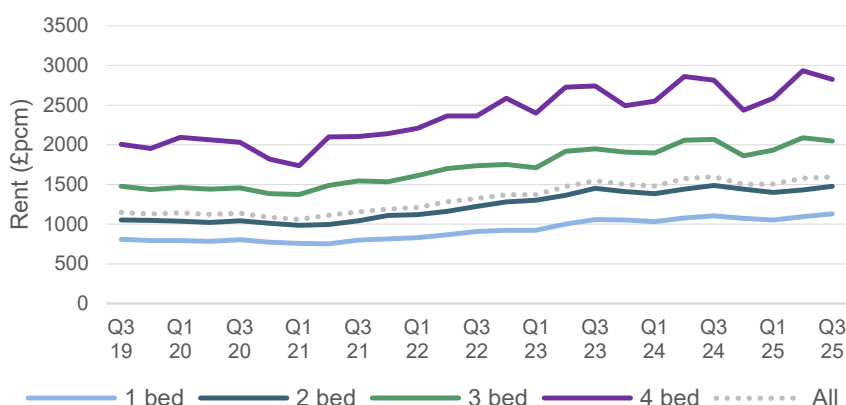
More Homes More Quickly

Edinburgh

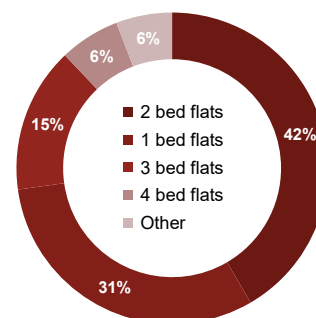
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£1,129	2.1%	40.4%	74.8%	17	3	28%	84%
2 bed	£1,479	-0.7%	41.9%	68.5%	24	6	18%	71%
3 bed	£2,049	-1.0%	40.4%	72.0%	30	4	18%	60%
4 bed	£2,825	0.2%	39.0%	67.1%	36	6	13%	55%
All	£1,597	-0.1%	40.2%	69.5%	24	4	21%	72%

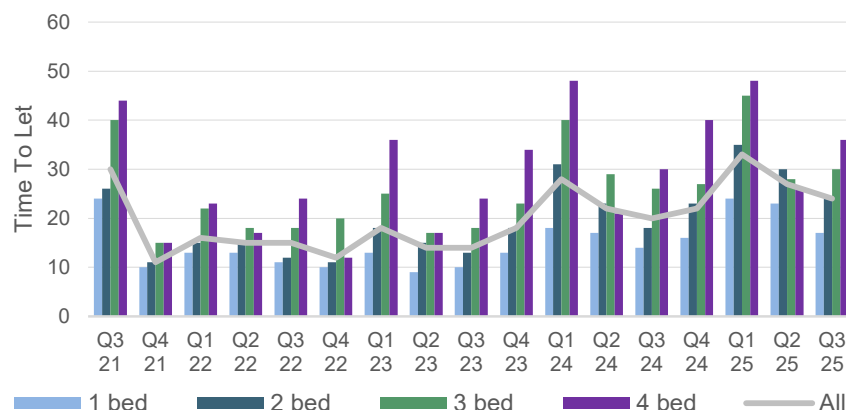
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	113.5	115.1	117.3	120.5
2015	122.1	123.6	126.1	127.2
2016	130.1	132.0	135.6	131.7
2017	136.9	138.8	140.3	136.0
2018	142.2	145.5	148.3	146.6
2019	149.3	151.5	153.7	151.4
2020	152.9	150.2	152.5	145.2
2021	142.3	149.3	154.9	159.6
2022	162.5	171.8	177.6	183.4
2023	183.7	197.7	207.0	201.2
2024	198.3	210.7	213.9	200.9
2025	201.6	211.5	213.8	

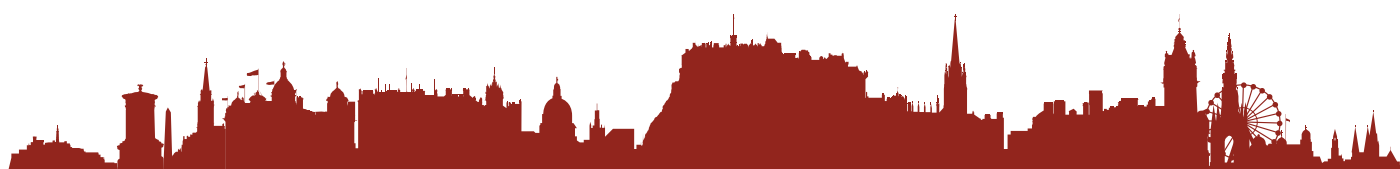
Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
EH3	3.6%	3.8%	4.0%	4.7%	4.8%
EH7	5.0%	5.1%	5.5%	6.5%	6.3%
EH8	6.6%	6.4%	6.8%	8.2%	8.5%
EH9	4.7%	4.8%	5.2%	5.4%	6.3%
EH10	3.8%	3.9%	4.0%	5.0%	4.7%
EH11	5.6%	5.3%	5.6%	6.5%	7.0%
EH12	4.7%	4.6%	5.0%	5.8%	5.8%



Pauline Smith - Watt Property

"The pause in student pressure and demand often offers a market breather at this time of year, but with many short-term let properties becoming available for residential tenancies, we are finding that the supply of properties remains high, as does demand. We continue to see high demand for 1 & 2 bed properties particularly within the EH6 & EH7 postcodes, with properties being snapped up at the first viewing on most occasions. However, we are noting that more landlords are opting to leave the market at the end of a tenancy compared to previous years, which is likely to result in reduced supply going into Q4."

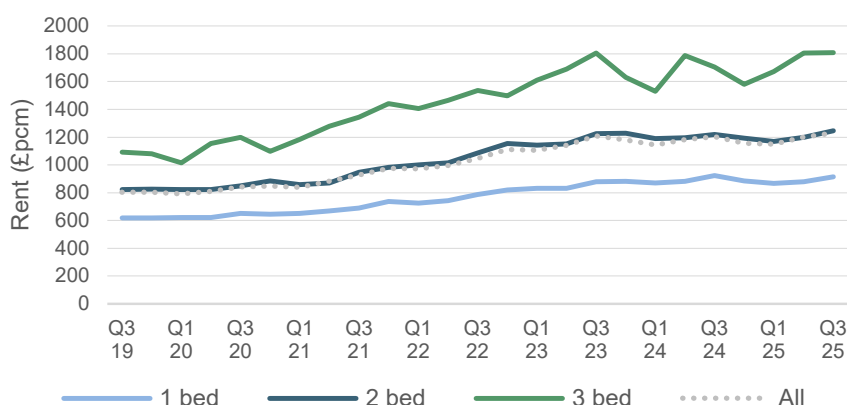


Glasgow

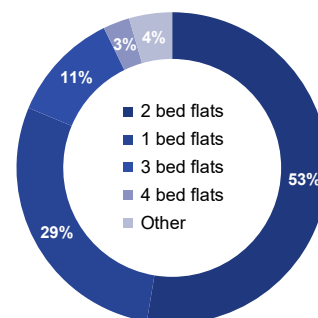
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£915	-0.9%	40.8%	78.0%	18	1	26%	83%
2 bed	£1,246	2.2%	46.9%	75.5%	21	-1	25%	74%
3 bed	£1,809	6.1%	51.0%	94.1%	30	7	12%	59%
4 bed	£2,733	6.9%	51.6%	99.3%	22	-13	29%	75%
All	£1,229	2.2%	46.1%	79.7%	21	0	24%	75%

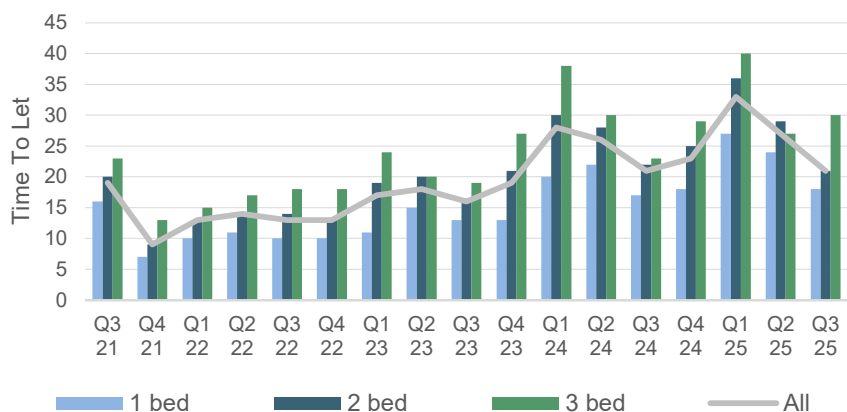
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	110.8	115.7	118.0	118.7
2015	119.8	120.8	120.6	123.6
2016	125.2	126.8	129.3	128.6
2017	130.5	133.2	131.9	130.9
2018	132.1	134.6	138.4	136.0
2019	136.2	140.9	141.6	141.4
2020	139.7	142.9	148.3	149.4
2021	147.8	155.6	163.7	172.0
2022	171.4	175.8	184.3	195.9
2023	194.9	201.2	213.1	207.9
2024	201.8	208.6	212.0	204.1
2025	202.8	211.5	216.8	

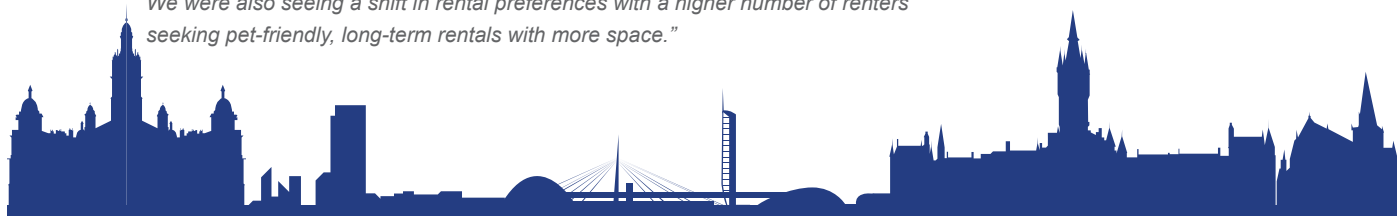
Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
G1	5.8%	6.2%	7.1%	8.1%	7.8%
G2	5.9%	6.6%	8.9%	9.9%	9.0%
G3	5.3%	5.0%	5.8%	6.4%	6.3%
G4	5.9%	6.0%	6.3%	7.8%	8.0%
G5	6.4%	6.7%	6.8%	8.0%	7.4%
G11	5.2%	5.3%	5.7%	6.5%	6.2%
G12	4.2%	4.5%	4.7%	5.0%	5.3%



Sandra Munro - Western Lettings

"We have been really busy this past quarter. Demand in Glasgow has remained high, with more people seeking to rent, and the overall demand for one and two-bedroom properties was higher, especially in areas close to universities, hospitals, and transport hubs. Rental prices have continued to rise, albeit at a slightly lower pace compared to the earlier parts of the year, which was mainly driven by high demand and limited stock. We are still seeing many landlords choosing to sell rather than renew tenancies, which is contributing to the ongoing stock shortage. We were also seeing a shift in rental preferences with a higher number of renters seeking pet-friendly, long-term rentals with more space."

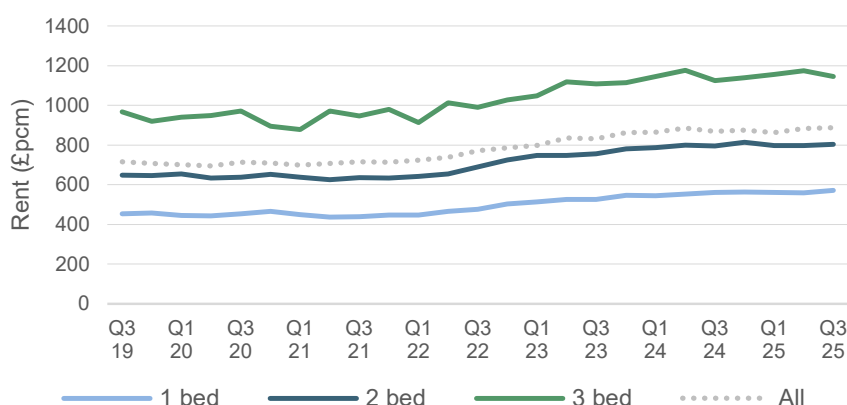


Aberdeen

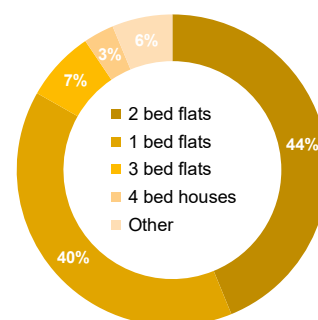
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£572	1.8%	26.0%	-12.1%	30	6	16%	62%
2 bed	£804	1.0%	25.8%	-14.8%	31	4	15%	59%
3 bed	£1,145	1.8%	17.9%	-10.8%	39	0	12%	50%
4 bed	£1,741	3.3%	23.0%	-2.0%	35	-4	11%	49%
All	£887	2.1%	24.2%	-10.9%	32	4	15%	59%

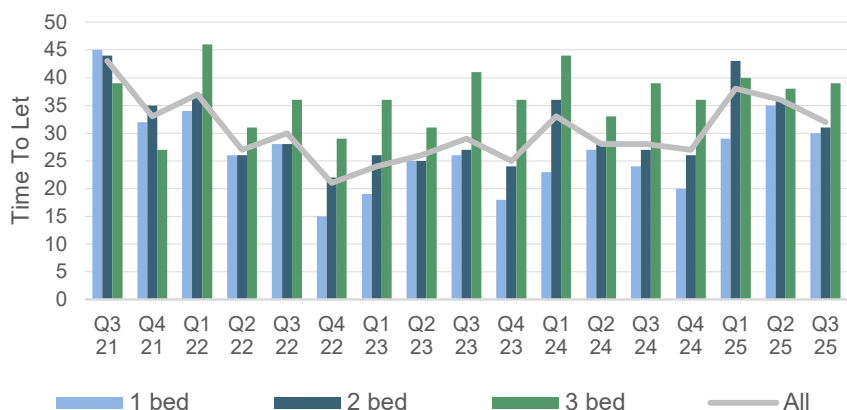
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	120.5	122.5	120.6	125.4
2015	123.1	117.9	112.4	105.5
2016	97.7	93.9	93.7	89.2
2017	86.8	89.0	87.5	85.3
2018	83.2	83.6	84.2	80.8
2019	80.2	82.9	80.9	80.0
2020	79.3	78.6	80.7	80.1
2021	79.0	79.9	80.8	80.7
2022	81.7	83.4	87.2	88.8
2023	90.2	94.4	94.0	97.5
2024	97.6	100.1	98.2	99.0
2025	97.5	99.8	100.2	

Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
AB10	5.3%	5.3%	6.0%	7.2%	7.7%
AB11	6.2%	6.1%	6.6%	8.3%	8.4%
AB15	5.2%	5.4%	5.5%	7.0%	6.3%
AB24	7.3%	7.4%	8.2%	9.9%	9.9%
AB25	5.6%	5.8%	6.7%	7.9%	8.4%



Cathy Clark - DJ Alexander

"Aberdeen's rental market remained resilient through the summer, with strong demand and stable rents for one and two-bedroom apartments. The corporate and upper-end segments, however, continue to face headwinds from a subdued oil and gas sector and government tax policies that discourage developer and energy-sector investment. Despite these challenges, the region retains significant long-term potential. Industry stakeholders are pressing for adjustments to the windfall tax to encourage fresh North Sea investment. With overall supply still tight, any uptick in demand could add pressure to the market, underscoring the need for incentives that keep private landlords engaged and the sector attractive."

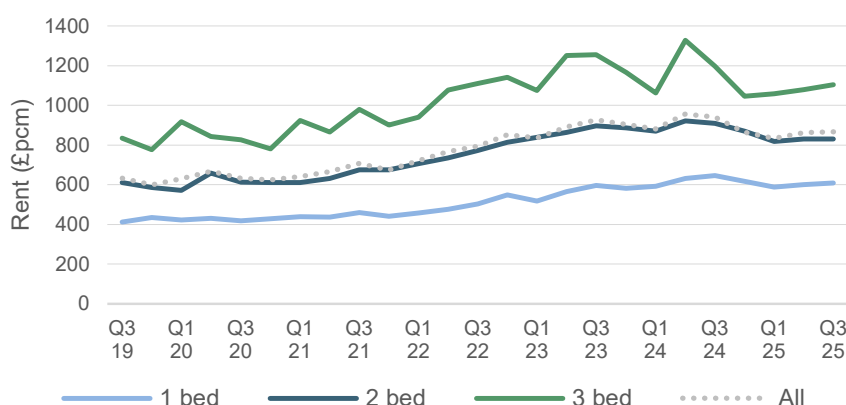


Dundee

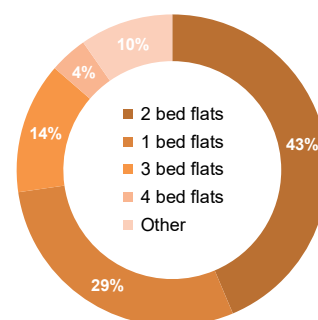
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£608	-6.0%	45%	57%	32	2	27%	63%
2 bed	£831	-8.7%	35%	50%	32	-3	19%	60%
3 bed	£1,104	-7.8%	33%	52%	37	-27	8%	53%
All	£868	-7.9%	37%	51%	35	-10	19%	58%

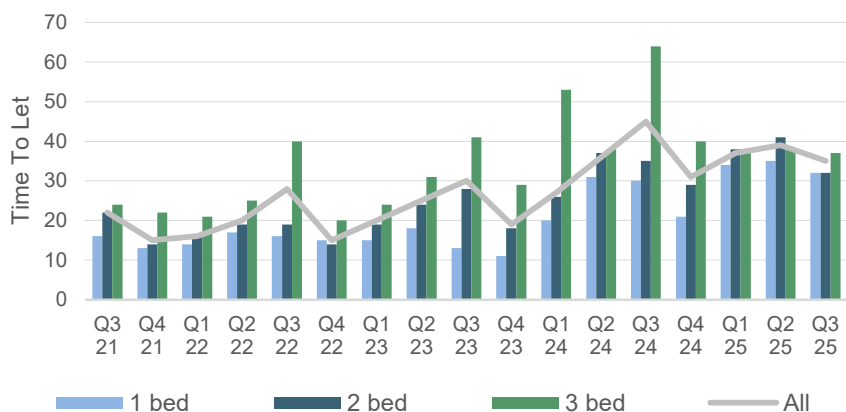
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 10)

Year	Q1	Q2	Q3	Q4
2014	103.3	97.4	98.4	94.6
2015	101.9	103.8	99.7	99.0
2016	107.6	104.0	102.4	103.6
2017	105.9	104.7	101.4	95.8
2018	106.6	107.3	104.9	100.3
2019	107.6	106.9	109.9	104.2
2020	109.4	116.0	109.9	108.5
2021	111.5	115.5	122.7	117.2
2022	125.3	133.2	137.8	148.1
2023	145.0	154.7	161.1	156.9
2024	153.1	166.1	163.5	150.0
2025	144.8	149.7	150.7	

Yield by Popular Postcodes (Flats)

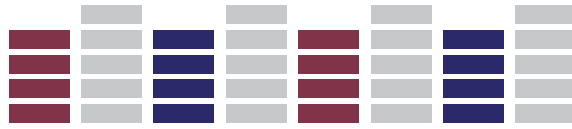
	2020	2021	2022	2023	2024
DD1	6.7%	7.1%	8.9%	9.5%	9.0%
DD2	6.3%	6.3%	7.6%	9.0%	8.9%
DD3	7.3%	7.1%	8.4%	9.5%	10.2%
DD4	7.0%	7.0%	8.8%	11.0%	10.3%
DD5	4.5%	4.5%	4.8%	5.8%	5.2%



Eilidh Finlayson - Finlayson Gore

"Q3 of 2025 has introduced further uncertainty with the possible introduction of National Insurance taxation on rental profits. This potential additional layer of taxation, currently being considered by Westminster in the autumn budget, has added further pressure to the already stretched purse of Scottish private landlords. This threat has seen several landlords issue NTLs to existing tenants with the intention to market property with vacant possession in early spring 2026, leaving many tenants facing uncertainty moving into Q4 and the festive period. The PRS awaits the impending budget to clarify whether this is another unavoidable cost to be borne by landlords."





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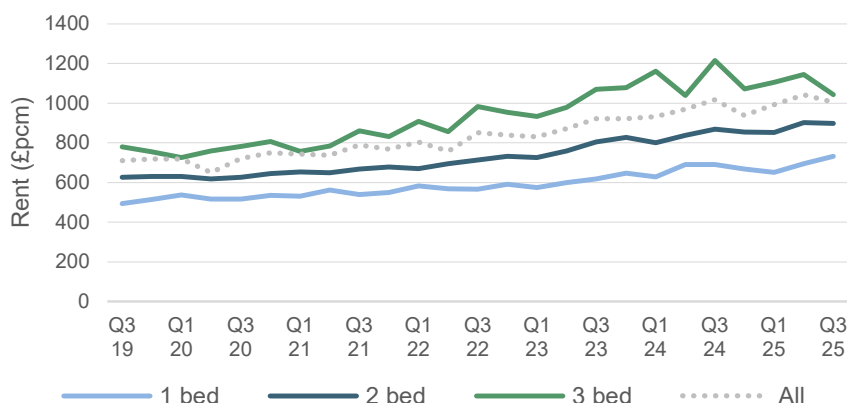
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West Lothian

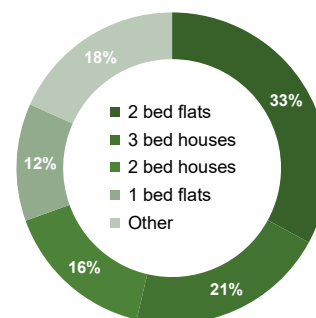
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£731	5.8%	41.7%	61.0%	32	16	8%	67%
2 bed	£898	3.3%	43.5%	58.9%	35	18	10%	38%
3 bed	£1,043	-14.1%	33.5%	52.3%	31	9	12%	48%
All	£1,005	-1.2%	39.6%	60.5%	34	16	11%	46%

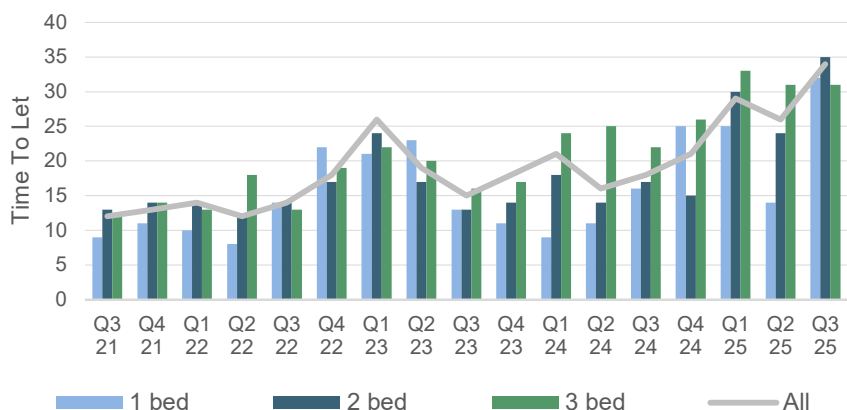
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	103.3	103.6	105.2	104.1
2015	105.9	105.7	107.9	110.0
2016	107.4	112.4	113.3	115.3
2017	113.1	112.9	114.7	114.7
2018	118.3	117.6	120.0	120.5
2019	122.4	115.0	122.6	124.0
2020	124.0	112.1	124.1	129.3
2021	128.3	126.9	136.0	132.6
2022	138.4	130.5	146.7	144.5
2023	143.1	150.2	159.0	159.0
2024	160.5	167.1	175.3	161.9
2025	170.9	179.7	173.3	

Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
EH48	7.0%	6.8%	6.8%	7.2%	7.7%
EH49	5.2%	4.8%	4.1%	5.6%	5.2%
EH54	6.7%	6.7%	6.8%	7.0%	7.7%



Alan Henderson - Mavor & Company

"Q3 in West Lothian has been calm in terms of tenant turnover, with fewer move-outs than we'd typically see at this time of year. However, demand remains strong; most new listings are attracting high levels of interest. A noticeable trend is the number of tenants relocating from larger cities, seeking better value while remaining within commuting distance. When properties do become vacant, we're seeing landlords adjust rents significantly to bring them back in line with current market values. While some landlords continue to exit the market, this has not been due to dissatisfaction with the PRS, which is encouraging."

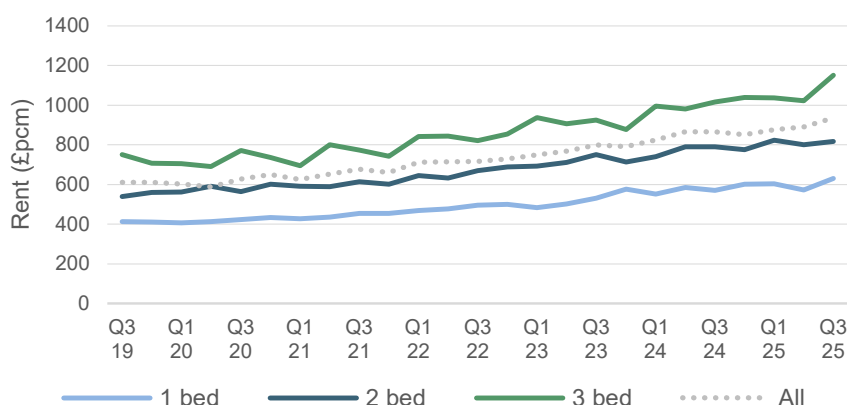


South Lanarkshire

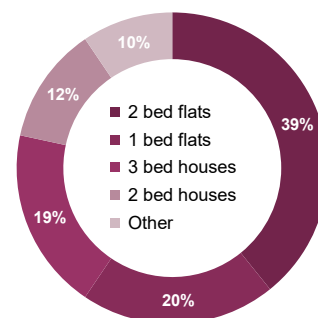
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£630	10.3%	49.3%	64.9%	19	5	47%	80%
2 bed	£816	3.3%	44.7%	67.9%	24	9	24%	74%
3 bed	£1,150	13.3%	49.2%	79.4%	19	6	27%	80%
All	£937	8.3%	49.4%	68.5%	22	7	29%	78%

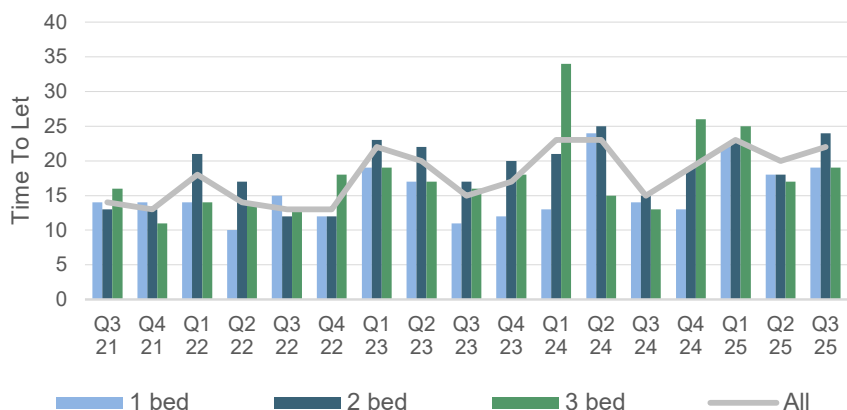
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	95.9	103.1	104.1	95.6
2015	101.8	104.1	102.4	104.1
2016	101.1	105.3	108.3	105.3
2017	106.3	106.4	105.5	109.2
2018	107.0	110.7	107.6	106.3
2019	109.4	111.0	112.3	112.5
2020	111.0	108.1	115.5	119.7
2021	115.1	120.3	124.7	121.5
2022	131.1	131.7	132.0	134.1
2023	137.9	141.4	147.3	145.7
2024	151.7	159.5	159.3	156.9
2025	161.1	164.1	172.6	

Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
G71	4.9%	6.1%	5.5%	5.9%	5.3%
G72	7.4%	8.2%	7.7%	9.0%	8.2%
G73	6.6%	6.5%	7.1%	7.2%	8.0%
G74	6.7%	6.6%	7.1%	8.1%	8.2%
G75	7.9%	8.0%	7.9%	9.1%	9.2%

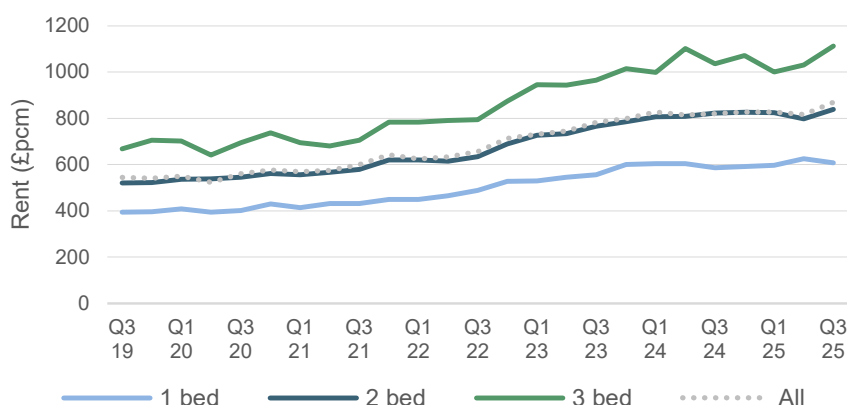


Renfrewshire

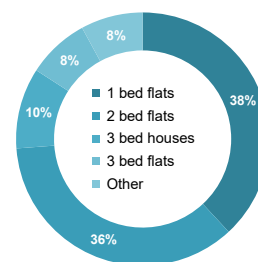
Market Overview - Q3 25

Beds	Average Rent	Rent Change 1yr	Rent Change 5yrs	Rent Change 10yrs	Av. TTL (days)	TTL Change YoY	Let within a week	Let within a month
1 bed	£607	3.6%	51.0%	68.1%	14	3	33%	88%
2 bed	£839	1.9%	53.9%	68.5%	21	3	24%	70%
3 bed	£1,113	7.4%	60.1%	70.4%	15	-9	30%	87%
All	£869	6.0%	54.9%	72.8%	17	-1	28%	81%

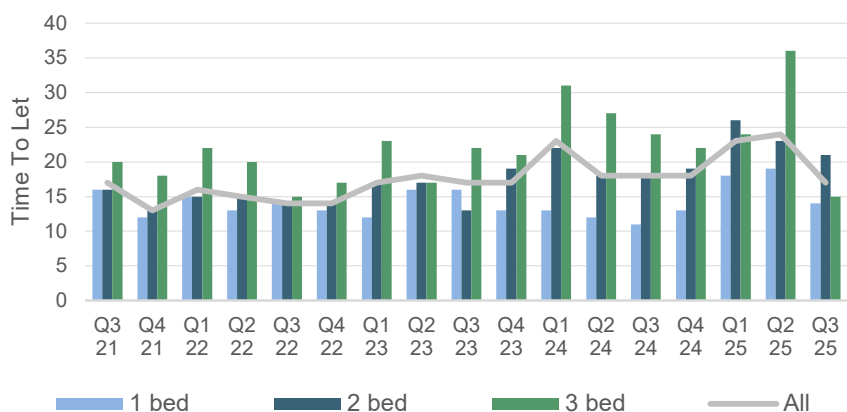
Average Rent (pcm) by Number of Bedrooms



Market Composition



Average Time To Let (TTL) by Number of Bedrooms



Rental Index

(base: Q1 08)

Year	Q1	Q2	Q3	Q4
2014	100.6	98.1	103.8	104.0
2015	100.2	108.6	105.5	104.8
2016	107.5	107.5	106.1	108.2
2017	102.9	108.6	111.3	110.3
2018	107.1	110.9	110.7	109.2
2019	109.0	112.8	114.3	113.4
2020	115.3	109.9	117.6	120.8
2021	119.5	120.3	125.8	134.6
2022	130.8	132.7	137.7	149.5
2023	153.2	156.2	164.2	167.3
2024	173.4	170.6	171.9	173.4
2025	173.4	171.3	182.2	

Yield by Popular Postcodes (Flats)

	2020	2021	2022	2023	2024
PA1	7.4%	7.3%	7.5%	9.0%	8.9%
PA2	6.4%	6.6%	7.4%	8.9%	8.0%
PA3	8.4%	8.4%	8.7%	10.6%	11.2%
PA4	7.7%	7.3%	7.4%	8.7%	8.8%
PA5	8.2%	7.8%	7.3%	8.6%	9.5%



Daryl Harper - Castle Residential

"The rental market in Renfrewshire remained strong in Q3 2025 with rising demand and values for one and two bedroom homes, while larger properties held steady. Both furnished and unfurnished lets moved quickly, reflecting a highly competitive market. In September the Bank of England kept the base rate at 4.00 per cent with inflation at 3.8 per cent and these elevated borrowing costs may shape affordability and rental trends as the year progresses."



Agent Views

Scottish letting agents give us their views on their local market.

Northwood, Aberdeen – Juliet Livingstone



"Demand is continuing to rise across Aberdeen, with well-presented properties seeing multiple applications. Tenants are focusing in on energy efficiency, and the rents are continuing to rise steadily which is a positive welcome for landlords. Demand is rising for two-bed properties, but we are seeing that one-bed properties are slightly more popular in terms of letting speed."

Glasgow Property Letting, Glasgow – Colin MacMillan



"The last quarter has been exceptionally busy with quality stock renting in record time. The traditional student / doctor rush has seen demand outstrip supply and pushed rents to inflated levels. Many landlords are bracing themselves for a new raft of legislation in the PRS with the introduction of the Housing (Scotland) Bill and with what that will bring with it. We are however noticing that stock levels across the city are down year on year but the quality of stock coming to the market is of a higher calibre than previously and this is making properties more desirable to the market. In short the housing stock seems to be improving as traditional landlords are leaving the market and new investors who understand the basic economics of property investment are improving their stock and keen to get on board."

Burgh Property, Edinburgh – Harry Crombie



"Edinburgh has delivered a convincing summer period, as anticipated, with greater tenant activity around various sections of the long-term rental market. The supply of available properties is at the lowest level in a year and rents have moderately increased to the highest levels. Looking ahead, uncertainty around the autumn budget could unsettle the position of many landlords, impacting the supply of available rental properties in this ever growing city. However, with interest rates at the lowest level in 2 ½ years and further cuts on the horizon, the opportunity to invest in the rental sector is an exciting prospect. For savvy investors, Edinburgh offers a rare blend of opportunity and resilience."

Cullen Property Ltd, Edinburgh – Steve Coyle



"Q3 2025 saw Edinburgh's rental market continue its upward trajectory, with HMO rents typically achieving £700+ per room. The professional 1–2 bed sector consolidated well, stabilising after robust post-rent control rises. New business remained strong, driven by landlords retaining assets but relocating, alongside a modest return of ex-STL properties. Time-To-Let periods eased slightly, though demand remains resilient. Confidence among landlords is recovering, buoyed by the rollback of restrictive regulation, and relatively workable if not yet detailed rent controls still to come. The PRS continued to demonstrate its value to the housing market and wider economy when left to operate with minimal interference. Overall, Edinburgh's rental landscape remains competitive, with supply constraints underpinning sustained rental growth."



Glenham Property, Edinburgh – Charlie Inness

"The Scottish rental market is gradually rebalancing after years of intense pressure experienced post-pandemic. While demand has eased slightly, which has helped slow the pace of rent increase, supply remains 20% below pre-pandemic levels, keeping competition among tenants high. As a result, rental inflation is expected to hold steady through the remainder of 2025. Despite ongoing challenges, the market continues to offer strong long-term potential for landlords and investors."

1Let, Edinburgh – Ken Bell

"1Let experienced a busy 3rd quarter with the market moving well. Historically, this is the busiest time of year and 2025 continued that trend with lots of interest in available stock and properties letting quickly. In September, we saw a record number of new landlords sign up, signalling continued confidence not only in 1Let but also the private rental sector more generally. This comes despite the anti-landlord rhetoric coming out of Holyrood and Westminster. We move into Q4 and the longer term future with positivity knowing that the PRS will continue to play a vital role in Scotland's housing mix."

Trinity Factors, Edinburgh – Rachel MacDonell

"The third quarter has been steady, with rent growth slowing compared to the sharp increases of last summer. Rising living costs are playing a part, and in some areas rents already feel close to their limit. Demand is still strong, particularly where properties are well cared for, and landlords who invest in maintenance usually see longer tenancies as a result. Looking ahead, we expect more modest growth. But with the Housing Bill moving through Parliament, there's growing concern that some landlords may choose to leave the sector, which could mean fewer homes available to rent."

Rentlocally.co.uk, Edinburgh – Anthony Brown

"The Scottish rental market remains stable, though recent trends highlight some shifts in demand. One-and two-bedroom properties have been taking longer than average to let, which is due to the rising stock levels across Scotland and has given tenants more choice, and contributed to this change in pace and greater tenant selectivity. Interestingly, larger four-bedroom homes which traditionally take longer to move, have seen reduced time on the market suggesting stronger demand. Last quarter we also saw the rise in demand for HMO properties driven by the time of year, highlighting the consistent demand for this type of accommodation."

Arden Property Mgt, Edinburgh – Catriona Smith

"We are experiencing extremely strong demand for one bedroom properties, though affordability is still an issue, particularly for single occupancy. Unfortunately, we are still seeing long standing landlords leaving the industry to sell, and others have expressed concerns about the proposed changes in NIC at the budget, as a factor which might make them consider selling in the next financial year. On the upside, we have experienced a higher than normal level of landlord enquiries with around half of these being first time landlords which is encouraging."

Rettie & Co., Edinburgh – Karen Turner

"Another summer has whizzed past and what a busy one it has been. Demand has been high for properties across most rental price points. Edinburgh also saw the influx of tourists for the festival period and the additional venue staff who require accommodation too. Few in the industry will be unaware of the challenges currently facing short let landlords. These challenges have peaked with the increase in unlicensed letting which has been prevalent this year. As an agent this is particularly worrying that this practice is on the increase. It now requires to be addressed at a higher level."

Cox & Co., Edinburgh – Mike Erskine

"Q3 saw a drastic reduction in TTL on our portfolio and this has reduced available stock to market, meaning more people are settled into homes. Rents remain strong but have levelled off as we predicted they might. Investment interest from professional investors has been exceptional over the last quarter and portfolio growth has been fantastic, with it far outstripping clients exiting the market. Those who are exiting and selling their investment properties, where the yields are palatable enough, are selling off market to investors and retention of tenants and properties has been positive. We hope for more of the same entering into Q4."

A Flat In Town, Edinburgh – Sally Williams

"Edinburgh's rental market is showing encouraging signs of stabilisation after several years of rent increases and limited supply. While demand remains strong, tenants now have slightly more choice, making presentation more important than ever. From our perspective at A Flat In Town, we've seen particularly high interest in well-designed homes where thoughtful use of colour and warmth creates a real sense of aspirational living. These properties are consistently achieving stronger rents and attracting committed tenants quickly. In a market that's becoming more balanced, quality, design and atmosphere are proving just as influential as location or price."

Postcode & Towns - Average Rents & TTL - Q3 25

Landlords and Letting Agents continue to require timely, accurate data to help them value rental properties in a variety of locations. At Citylets, robust information is paramount so we only include rents for postcode districts where there is substantial quarterly volume.

Edinburgh - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
EH1	£1,279	(25)	£1,658	(22)	£2,228	(23)
EH3	£1,404	(17)	£1,806	(25)	£2,250	(37)
EH4	£1,198	(19)	£1,465	(25)	£1,812	(36)
EH5	£990	(18)	£1,269	(29)		
EH6	£1,039	(17)	£1,357	(27)	£1,865	(39)
EH7	£1,055	(13)	£1,393	(24)	£1,956	(41)
EH8	£1,081	(22)	£1,464	(19)	£2,097	(35)
EH9	£1,138	(12)	£1,521	(21)	£2,259	(22)
EH10	£1,198	(18)	£1,522	(19)	£2,114	(35)
EH11	£1,020	(16)	£1,359	(20)	£1,752	(26)
EH12	£1,101	(22)	£1,442	(23)	£1,898	(18)

Glasgow - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
G1	£1,045	(16)	£1,315	(19)		
G2	£926	(26)	£1,373	(23)		
G3	£999	(16)	£1,394	(22)	£2,225	(35)
G4	£879	(15)	£1,223	(17)		
G5			£1,121	(30)		
G11	£911	(18)	£1,322	(17)	£1,920	(48)
G12	£1,026	(13)	£1,428	(20)	£1,983	(25)
G13			£1,064	(30)		
G14	£790	(27)				
G20	£888	(18)	£1,221	(20)	£1,548	(27)
G31	£854	(19)	£1,115	(25)		
G40			£923	(31)		
G41	£867	(23)	£1,181	(27)		
G42	£833	(26)	£1,136	(20)		
G44			£1,046	(20)		
G51			£1,046	(17)		

Aberdeen - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
AB10	£581	(30)	£788	(30)	£1,084	(43)
AB11	£556	(34)	£808	(28)	£1,165	(47)
AB15	£649	(29)	£1,042	(24)	£1,287	(42)
AB16			£706	(23)		
AB21			£872	(24)		
AB22	£596	(23)				
AB24	£572	(25)	£777	(32)	£1,124	(36)
AB25	£576	(29)	£764	(32)	£1,066	(29)

Dundee - £pcm (TTL days)

Postcode	1 Bed		2 Bed		3 Bed	
DD1	£629	(36)	£964	(34)	£1,203	(47)
DD2	£591	(25)	£848	(32)	£1,164	(43)
DD3	£577	(37)	£734	(36)	£1,005	(40)
DD4	£589	(24)	£767	(30)		

Towns - £pcm (TTL days)

based on 12 month rolling average

Town	1 Bed		2 Bed		3 Bed	
Bathgate			£854	(26)		
Bonnyrigg			£1,051	(18)		
Broughton	£1,078	(19)	£1,452	(31)		
Dalkeith			£1,035	(22)		
Dalry	£977	(21)	£1,328	(26)	£1,840	(30)
Dunfermline			£850	(17)		
East Kilbride	£596	(16)	£761	(16)		
Ellon			£722	(24)		
Falkirk			£828	(23)		
Hamilton	£568	(19)	£768	(21)	£1,121	(20)
Hillhead	£794	(11)	£1,382	(21)	£2,076	(22)
Inverurie			£769	(32)		
Johnstone			£771	(22)		
Largs	£496	(19)	£700	(24)		
Livingston			£901	(27)		
Motherwell			£756	(24)		
Musselburgh	£902	(19)	£1,225	(21)		
Paisley	£609	(17)	£806	(23)	£1,064	(25)
Penicuik			£1,008	(22)		
Renfrew	£610	(13)	£878	(22)	£1,048	(27)
Rutherglen			£917	(31)		
St Andrews	£1,232	(24)	£1,592	(36)		
Stirling Town	£819	(14)	£1,081	(18)	£1,545	(24)
Trinity	£1,053	(22)	£1,305	(22)		
Woodlands			£1,329	(25)	£1,798	(26)

Mid-Market and Build to Rent News

Lar Launches New Service for Landlords

A multi-award-winning property and estate management team, is launching a new service for landlords across Scotland.

Lar Property and Estate Management service's ethos of supporting stakeholders is at the heart of this exciting new service launching in October. This will provide dedicated, expert assistance for private landlords helping them manage their portfolios.

This new offering of factoring and letting management services is a boost to landlords who share its tenant-focused ethos. This service is part of the Lar group, in its early years Lar Housing Trust engaged private sector agents to provide letting, factoring, management and repair services to tenants, but now manages all such services within the group.



Nicole Maxwell, heading up Lar's new service

In 2018, Lar Housing Trust set up its operations subsidiary, initially to purchase its office building and then to provide all tenancy, property and estate management services to Lar residents and to a discrete few private sector entities. This includes Edinburgh Health and Social Care Partnership for whom Lar has developed two sites for those in their care with specialist housing needs.



Following award-winning success with their service model, Lar feels it's the right time to extend these services to other portfolio landlords. This means landlords can enjoy an exceptional level of service, knowing they're contributing to the delivery of more affordable housing across Scotland.

Housing Bill Finally Passed

It is over at last. After a process of nearly 18 months, the Scottish Government has finally passed its new Housing (Scotland) Bill on 30 September.

There is an obligation on local authorities to report on their own rental markets in Spring 2027 to identify if there is a case for rent controls, which have been set at up to CPI + 1% to a maximum of 6% per annum.

These controls will be applicable within and between tenancies but Build to Rent and Mid Market Rent will be exempted via secondary legislation, which should be concluded before the end of this year. The Scottish Government has accepted the case that legislating against new supply is not a good move in a housing emergency.

Purpose-Built Student Accommodation has been excluded from all rent control legislation but will be subject to 28-day notice period 'in specific circumstances'. The detail on this will also follow via secondary legislation.

For the institutional investors who are (or want to be) involved in the provision of much needed new homes in Scotland, this outcome is probably as good as could be expected. With the uncertainty over, we can now maybe get on with attracting investment into the sector again (after it was turned off by the rent freeze 3 years ago).



Newhall St, Glasgow - 151 MMR homes
(development by Swan Group, Thriving Investments and Clyde Gateway)



Mid-Market and Build to Rent News cont.

BTR - One Step Closer

It is likely that by end 2025 / early 2026 the Housing (Scotland) Bill will be implemented having completed Stage 3 and passed through secondary legislation. The Bill will contain an exclusion for BTR and MMR given cross-part support. The criteria for exclusion and definition of BTR will be debated in the secondary legislation stage; this is critical, and most investors will hold fire until they see the exact wording.

Even if BTR/MMR is excluded from rent control with acceptable criteria and appropriate definition, this alone will not guarantee the return of institutional investment into Scottish housing. The barrage of policy requirements and regulations combined with higher build costs in Scotland (as a result of rent control) means that many multi-story BTR schemes will remain unviable. Policy will need to be more flexible if mothballed schemes are to re-commence.

Single-family housing (houses for rent) may be the real beneficiary from rent control exemption given its relative viability. Unlike high-rise multi-family developments (flats for rent), land is cheaper, build costs lower, fire regulations lighter; housing schemes can be phased and are liquid. With fewer than 550 houses for rent operating in Scotland, compared to 17,000 in England, we expect considerable activity.

All Scotland MFH and SFH BTR schemes are on our interactive map:
<https://www.scarlettdev.co.uk/services/build-to-rent/pipeline-scotland/>



Will Scarlett - Founder/Director
Scarlett Land and Development

The logo for Scarlett, featuring the word "SCARLETT" in white capital letters on a red rectangular background.

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Damp and Mould: Awaab's Law

Landlords will soon be required to address dangerous damp and mould within set timeframes.

Following the death of two year-old Awaab Ishak, who died in 2020 as a result of a severe respiratory condition following prolonged exposure to damp and mould, the UK Government announced plans to implement Awaab's Law in the social housing sector in England from October 2025. The law will require social landlords to investigate and fix dangerous damp and mould in set time periods and investigate and take action on all emergency hazards within 24 hours. During 2026 and 2027 it will be extended to other types of hazard, including structural collapse and hygiene hazards.

The UK Government intends to extend Awaab's Law to the private rented sector (PRS) in England and the Scottish Government is now following suit with the new Cabinet Secretary for Housing recently announcing to parliament that the standard and quality of all rented accommodation in Scotland will be raised by bringing an equivalent of Awaab's Law into force in the social and private rented sectors from March 2026.

It is expected that this will initially require all landlords to address damp and mould that presents a significant risk of harm to tenants within fixed timeframes. It is possible that the requirement will, in time, be extended to other types of dangerous disrepair.

The 2023 Scottish House Condition Survey showed that damp and condensation affects around 20% of dwellings in the PRS and around 14% of social rented sector homes.

Whilst the Scottish Government is yet to announce any detailed proposals, the UK government has published draft guidance for social landlords which gives some insight into what might be expected



Author: Caroline Elgar, Policy Manager at SAL

of landlords. The draft guidance includes requirements for landlords to:

- investigate any potential emergency hazards and undertake relevant safety work within 24 hours of becoming aware of them
- investigate any potential significant hazards within 10 working days of becoming aware of them

- undertake relevant safety work within 5 working days of the investigation concluding, if the investigation identifies a significant hazard
- satisfactorily complete works within a reasonable time period
- secure the provision of suitable alternative accommodation for the household, at the social landlord's expense, if relevant safety work cannot be completed within specified timeframes
- keep the named tenant updated throughout the process and provide information on how to keep safe

Landlords have a defence if they have taken all reasonable steps to comply with the requirements but have been unable to comply for reasons beyond their control.

SAL is involved in a series of meetings about this proposal and is making it clear to government officials that this is not a straightforward issue, and in many cases specialist surveys show that mould is caused not by any defect with the property, but by tenants failing to adequately utilise the heating and ventilation systems in a property.

Strong Choice for Edinburgh Homebuyers as Market Stays Lively

An increase in property listings from June to August, coupled with steady sales activity, kept the city's housing market in full swing.

As we approach the colder months, the summer property market showed no signs of slowing. Following an exceptionally active start to 2025, and an equally impressive spring, the June-August period continued this healthy trend, with trends highlighted in our previous reports continuing steadily throughout June-August.

Sales volumes saw a healthy uplift of 7.1% during June–August 2025. While the number of new property listings remained relatively stable, rising just 0.8% year-on-year, the growth in completed sales points to increased buyer activity. This combination not only reflects strong demand but also continues to provide opportunities for purchasers to secure their next home.

Once again, Dunfermline came out on top for both the highest volumes of sales and listings, followed by the family-friendly area of Leith. Two-bedroom flats in Leith remained the most popular in terms of both buying and selling, followed by Dunfermline, with four-bedroom homes being the second most sold, and three-bedroom being the second most listed property. There was also a huge boost for two-bedroom flats in Musselburgh: sales for this property type rose by 47.1%, while sales of three-bedroom homes also rose by 60% annually, further highlighting East Lothian's growing popularity.

While East Lothian was the most expensive region to buy a property,

Edinburgh's average selling price rose by 4.5% annually to £315,961. The south west of the Capital recorded the sharpest increase, with prices rising 16.2% to £385,781, reflecting the high demand for family homes in areas such as Balerno, Currie and Juniper Green.

The east of Edinburgh continued to attract strong demand, with homes selling for 103.8% of their Home Report valuation, up 0.6 percentage points. In the city centre, neighbourhoods such as Broughton led the way, with buyers paying 108.0% of the Home Report valuation, a notable 4.7% increase year-on-year, likely reflecting the area's popularity among young professionals looking for character properties in the heart of Edinburgh.

Edinburgh's overall median selling time held steady at 20 days, two days faster than last year. Again, the east of the city proved popular,

with properties here going under offer in just 16 days, two days faster than 2024. Edinburgh south west also saw a significant change, with homes taking only 15 days to sell, seven days quicker than last year.

ESPC's CEO, Paul Hilton, commented: *"The summer months of 2025 have highlighted the continued strength of the local property market, with average selling prices rising 4.5% annually. This growth, combined with rising sales volumes and steady new listings, reflects a balanced and confident marketplace. The south west stood out with a 16.2% rise, underlining strong demand for family homes in Balerno, Currie and Juniper Green, while areas such as Leith and Portobello helped drive growth in the east of the city. Buyers are benefitting from greater choice and steady conditions, setting the stage for continued healthy activity as we move into autumn."*



ESPC's Property Lounge on George Street

ESPC advertise thousands of properties through their website, weekly paper and information centres, offering unrivalled knowledge and expertise from their own team and member solicitor estate agents.

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Short Term Lets - Is This Letting Agency Work?

Regular readers may recall a previous article exploring an Upper Tribunal's decision in 2023; *Factotum (Scotland) Ltd v Rashid*.

In the First Tier Tribunal (FTT), a landlord pursued her letting agent for breaches of the Letting Agent Code of Practice (The Code) for arranging two short term tenancies during the summer of 2022. At first instance, the FTT concluded letting agency work comprised all lets, regardless of type or duration.

However, on appeal the Upper Tribunal (UT) found the FTT had erred in its interpretation. The case was remitted back to a new panel of FTT members, to specifically consider whether the tenancy type and scope of work carried out by the agent fell within the statutory definition of letting agency work.

Needless to say, following the UT's decision, the position remained unclear...

Back at the FTT, the agent maintained it was not carrying out letting agency work in respect of the two short term lets and was therefore exempt from The Code. Conversely, the landlord argued she had instructed agents on the 'normal definition of letting' to arrange a short term PRT on her behalf and considered the agent bound by The Code.

The recent FTT decision on the preliminary issue details the applicable law in detail. In short, to be subject to the Code, an agent must be carrying out 'letting agency work' which is defined by Section 61

of the Housing (Scotland) Act 2014. To determine that question, the FTT required to consider (a) whether the lease was a tenancy or occupancy agreement and (b) if the house was used as a 'dwelling'. Those terms each have their own respective definitions, which are found in a separate piece of legislation; The Antisocial Behaviour etc. (Scotland) Act 2004. Importantly, Section s83 (6)(d) specifically excludes holiday and short term lets from the definition of 'use as a dwelling'.



The agreements were between the landlord and Mr Dean, who was working at the Edinburgh Festival and sought accommodation for members of his cast and technicians. Occupancy of the property was related to guests' festival work and their permanent home addresses were noted on the contracts. The total length of the rental period, across two contracts, was six weeks.

The FTT found the agent was

acting in the course of business in response to instructions from the landlord. These factors are also requirements of the 'letting agency work' definition. Similarly, unconnected persons [to the landlord] were entitled to occupy the property. Again, this must be established to satisfy the definition of letting agency work. However, those occupying the property were not using it as a dwelling, because it was being used as a short term let. Without also establishing the 'use as a dwelling' element of the definition, the agent was not carrying out letting agency work and was not subject to the requirements of The Code in relation to these lets. Accordingly, the FTT had no jurisdiction to consider the complaint.

The decision provides clarity that agents engaged solely in arranging STLs are not subject to The Code. However, as the decisions highlight, the legislation and relevant definitions which are connected by various pieces of legislation are complex. If in doubt, letting agents are encouraged to seek advice on the extent of their statutory obligations.

For advice: prs@tcyoung.co.uk

Citylets Research Services

The Citylets research team produces market-leading reports and indices as well as bespoke research and consultancy projects for clients including letting and sales agents, developers, investors, housing associations and local and central government.

In Scotland, Citylets has become the leading authority on the private rented sector and has built up a strong reputation for well-informed insightful commentary, market analysis and is now a trusted media source on local and national rental issues.

In its position as the UK's leading residential lettings site, Citylets enables the research team to utilise its unique data in addition to Registers of Scotland and government data. **OptiletPro** is an analysis tool which delivers robust data on the sales and rental residential property markets at a local level. The interface is designed to allow clients to analyse local trends and easily extract data into a variety of formats.

Metrics include:

- Average rental price and monthly stock volumes by city/region, area, postcode district postcode sector
- Average time to let (TTL) by city/region, area, postcode district and postcode sector
- Analyse by property type and bedroom count

Methodology

The statistics are based on rental properties advertised on Citylets. Rather than employ snapshot sampling our observations are recorded when a property is removed from the site as let. We believe such transaction-based observations provide a better reflection of the market. The data is cleansed to remove multiple entries and other anomalies.

Our cleansing process continues to guide refinements to data recording. Averages are calculated on a monthly or quarterly basis as weighted (mix adjusted) means. Indices are constructed holding composition (property type and number of bedrooms) fixed at the average of the last three years. This ensures that changes in the index reflect rent changes and not changes in composition, which are likely to occur seasonally.

The Publication

This document was published in October 2025. Whilst we have made every effort to ensure information published in this report is correct, Citylets gives no warranty or representation as to the accuracy or completeness of the information. The report does not constitute legal or other professional advice. We reserve the right to change methodology, discontinue or revise indices or other analysis at any time.

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