

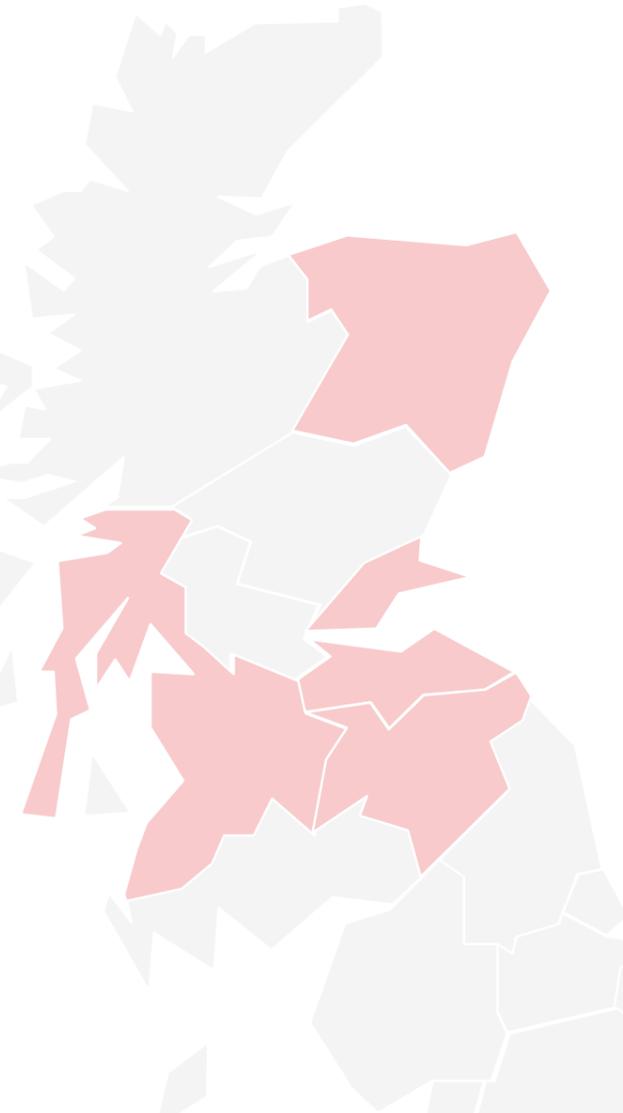
D.J.ALEXANDER
Sales & Lettings

Quarterly Insights

Winter 25/26

Scotland

Operating the largest lettings agency in Scotland, our branch network covers the strategic locations of Edinburgh, Glasgow, St Andrews, Aberdeen and Dundee.



D.J.ALEXANDER
Sales & Lettings

Founded in 1982, DJ Alexander has been a trusted name in residential sales and lettings across Edinburgh, Glasgow, Dundee, Aberdeen and St. Andrews. DJ Alexander has expanded significantly, now managing over 10,000 properties across Scotland, supported by a team of over 300 professionals.

LETTINGS

More lets agreed while supply and demand balanced.

Activity

Lets Agreed

▲ **27%**

2025 vs 2024

Market Share

New Instructions

▲ **7%**

2025 vs 2024

SALES

Typical seasonal shifts were replaced by a steady market throughout.

Demand

Buyers

▲ **12%**

2025 vs 2024

Supply

New Instructions

▲ **36%**

2025 vs 2024



“2025 marked a year of adjustment and unpredictability across lettings and sales; latterly, stability and clarity encouraged landlords and sellers to progress confidently with plans.”

Kevin Fraser
Managing Director

Finding clarity in change

A year of adjustment

2025 can best be described as a year of adjustment for the residential lettings market in Scotland. After a prolonged period of uncertainty, falling interest rates and the passing of the Scottish Housing Bill provided greater clarity and allowed the market to settle into a new normal. This shift brought increased stability and enabled landlords and investors to plan with more confidence.

The passing of the Scottish Housing Bill in Q4 enabled landlords to take a more strategic view of their investments. While changes such as rent controls can appear challenging, they also create an opportunity to review rental levels against the wider market and reassess property finances more holistically. This approach supports long-term sustainability, compliance and more resilient portfolios. Although the sector has changed significantly over the past decade due to government policy, regulation and wider economic pressures, property remains a dependable investment. The key difference is the timescale, with returns increasingly realised over the longer term. Investors who adapt to the evolving landscape and plan accordingly remain well-positioned to achieve consistent outcomes.

Aberdeen: an attractive proposition

The yields found in Aberdeen continue to outperform many other Scottish cities. Being among the strongest in the country, recent figures show 10% in AB24, and 8% in both AB11 and AB25. This performance is underpinned by confidence in the local economy. Employment stability, driven by the energy sector, including oil and gas alongside continued investment in renewables, supports a strong tenant base. Job security, competitive salaries and longer employment tenures all contribute to consistent demand. Lower average property prices further enhance Aberdeen's attractiveness, making it suitable for first-time investors as well as experienced landlords seeking diversification and strong returns. This is reflected in our overall activity levels, with tenancies agreed increasing by 27% in 2025 compared to 2024. Despite some landlord caution, tenant demand remains robust.

Glasgow and Edinburgh continue to deliver strong capital growth and rental performance, with Edinburgh's diverse economy and high inbound migration continuing to support pricing and long-term demand.

Positively unpredictable

The residential sales market in 2025 was notably unpredictable. While unpredictability is often viewed negatively, in practice it resulted in a less volatile year. Traditional seasonal peaks and troughs were moderated, resulting in steadier levels of activity across the twelve months rather than sharp surges followed by slowdowns.

Buyer demand increased by 13% year on year, while supply rose by 36% compared to 2024, indicating renewed confidence. After delaying decisions during earlier uncertainty, many buyers and sellers moved forward with planned transactions. For landlords, renewed interest in portfolio purchases of six properties or more, allowing investors to benefit from the exemption of the Additional Dwelling Supplement, reflected confidence in the Scottish property investment landscape.

No more headwinds?

Looking ahead, the outlook is cautiously positive. Further interest rate reductions expected in 2026 should improve mortgage availability and choice, supporting both owner-occupiers and investors. Combined with the absence of planned major government changes, this points to a steadier and more predictable year ahead for the property market.



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