# London buyers retreat from the Cotswolds as house prices soar



As the allure of London begins to fade for many of its residents, the quest for more affordable and tranquil living options has taken a significant turn. The Cotswolds, long a favoured destination for affluent Londoners seeking to escape the relentless hustle of the capital, has seen a notable decline in interest. According to recent analyses, only 9% of prospective buyers in the Cotswolds hailing from London were recorded in 2024, a substantial drop from the 14% peak in 2021. This shift is emblematic of broader trends in the housing market, as price surges outside London have made these once-tempting rural havens less accessible.

The average house price in the Cotswolds now sits at a staggering £444,000, a figure that the Office for National Statistics has noted is not only reflective of historical trends but also exacerbated by external factors, such as the enduring impact of high mortgage rates. Since 2014, property prices in this picturesque area have soared by over 56%, far outstripping the 28% increase observed in London over the same period. David Fell of Hamptons Estate Agents remarked, "Londoners haven’t had the housing market on their side for the best part of a decade," pointing to a closing gap that now stands at approximately £80,000 between properties in London and elsewhere.

This phenomenon is not isolated to the Cotswolds alone. The Financial Times has reported that only 5.7% of home purchases outside London in 2024 were made by London residents, marking the steepest decline since 2013. The trends are a direct consequence of escalating house prices, particularly outside the capital, which have risen by 39% over the last decade. Coupled with a post-pandemic return to office work, this has effectively curtailed the exodus of Londoners seeking rural refuge.

In light of rising costs in the south, more individuals are now looking northward to the Midlands and beyond, where property prices remain significantly lower. This migration trend is bolstered by reports of more affordable homes, better educational institutions, and an overall more relaxed lifestyle, as residents take advantage of lower housing costs in these regions. Interestingly, while migration to the countryside has slowed, this northward movement could invigorate local economies previously strained by stagnant growth.

Simultaneously, local communities in areas like the Cotswolds are feeling the impact of rising house prices. Some residents lament that as affluent buyers flock to their villages, they find themselves priced out of the market. Councillor Joe Harris has voiced concerns over the need for more affordable housing options to assist first-time buyers, who are increasingly struggling to gain a foothold in their own communities.

As the housing landscape continues to evolve, it is evident that for many Londoners, the dream of moving to the idyllic countryside is becoming more distant. The interplay of rising property prices, shifting economic realities, and the return to traditional work patterns is reshaping where individuals choose to call home. It remains to be seen how these trends will develop, but the impact on both urban and rural communities will undoubtedly be profound.

### Reference Map

1. Paragraph 1: Sources (1), (2)
2. Paragraph 2: Sources (4), (3)
3. Paragraph 3: Sources (2)
4. Paragraph 4: Sources (5)
5. Paragraph 5: Sources (6)
6. Paragraph 6: Sources (7)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

* <https://www.express.co.uk/news/uk/2053630/stunning-corner-uk-rich-londoners-pushed-out> - Please view link - unable to able to access data
* <https://www.ft.com/content/ab7ca00f-d8f0-4143-a802-78630090097b> - An article from the Financial Times reports that the number of Londoners relocating from the capital to the countryside has decreased to its lowest level since 2013. In 2024, Londoners accounted for only 5.7% of home purchases outside London, a sharp drop from the Covid-era peak in 2021. The decline is attributed to rising house prices outside London, which have increased by 39% over the past decade, compared to 26% in London, and a return to office work post-pandemic.
* <https://www.hamptons.co.uk/research/reports/market-insight-winter-2025/migration> - Hamptons' Winter 2025 Market Insight report reveals that in 2024, Londoners bought just 5.7% of homes outside the M25 area, down from 7.8% in 2023 and 8.2% in 2022. This was the lowest total of such deals since 2013. The drop in migration from the capital was largely caused by the return to the office, relatively high mortgage rates, and weaker house price growth.
* <https://www.ons.gov.uk/visualisations/housingpriceslocal/E07000079/> - The Office for National Statistics provides data on housing prices in Cotswold, reporting an average house price of £444,000 in December 2024, similar to the revised figure for December 2023. The data also indicates that across the South West, the average house price rose by 3.8% over the same period, with Cotswold having the highest average house price in the region.
* <https://www.ft.com/content/03ff90b7-0e95-4547-a4b8-7b363cb6fa98> - An article from the Financial Times discusses the trend of people from London and the south relocating to the Midlands and the north, where property prices are significantly lower. Rising mortgage rates and housing costs in the south have increased migration northward, potentially boosting local economies where government efforts have recently fallen short. Property values in northern England and the Midlands are rising faster than in the south, and a growing number of people are moving to access more affordable homes, better schools, and a relaxed lifestyle.
* <https://www.bbc.com/news/uk-england-gloucestershire-66498511> - A BBC News article highlights that house prices in the Cotswolds have an average price of £411,000, 14 times the local average annual salary. An increase in buyers from London is keeping prices high, with some locals being priced out of the market. Councillor Joe Harris calls for more low-cost housing to be built to ease the pressure on first-time buyers.
* <https://www.telegraph.co.uk/money/property/high-mortgage-rates-drive-75000-homeowners-out-capital/> - An article from The Telegraph reports that high mortgage rates will drive 76,000 Londoners out of the capital this year. Homeowners have purchased 33,000 homes in other parts of the country during the first half of 2024, as high interest rates fuel an exodus from the capital. The average upsizer is moving a record 39 miles outside of the capital in search of lower repayments.