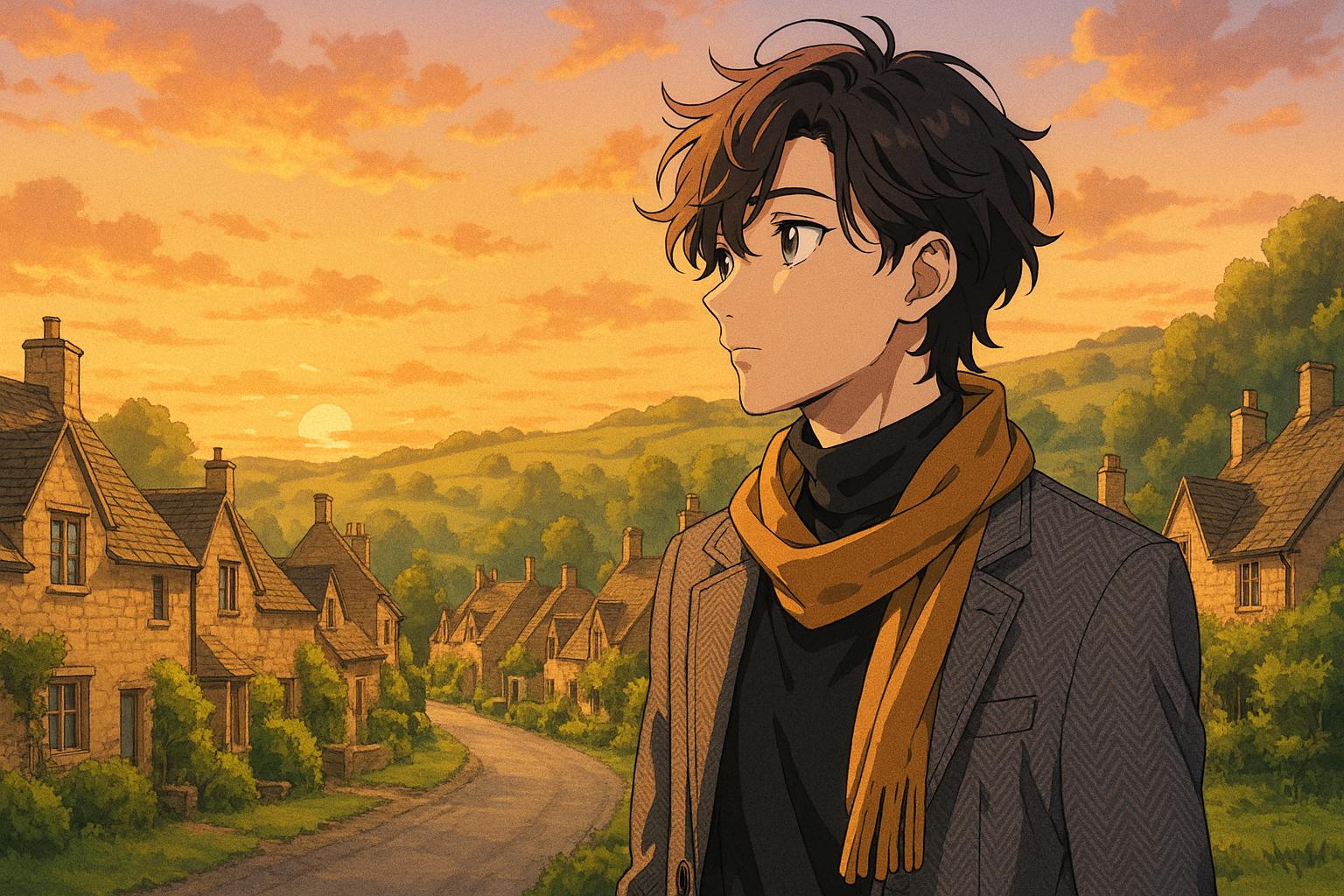
# London buyers priced out as Cotswolds market attracts wealthy Americans



Recent research by Hamptons highlights a noteworthy shift in the housing market dynamics between London and the Cotswolds. In 2022, only nine per cent of potential buyers in the picturesque Cotswolds hailed from the UK capital, a significant drop from a peak of 14 per cent during 2021. This decline suggests that the post-pandemic exodus from urban centres to rural havens is losing momentum, particularly as rising property prices have priced many would-be London buyers out of the market.

The average house price in the Cotswolds has skyrocketed by 56 per cent since 2014, with the current median reaching approximately £500,000—nearly on par with London’s average of £503,000. The Telegraph reports that such steep increases in property values have created a barrier for Londoners seeking country homes, especially when compared to the 28 per cent growth recorded in the capital over the same period. David Fell from Hamptons notes, “Londoners haven’t had the housing market on their side for the best part of a decade,” underscoring the pressures faced by city dwellers amidst a challenging housing environment.

It’s noteworthy that while numbers of Londoners settling in the Cotswolds have fallen, the area has become increasingly attractive to American buyers. Jesse D'Ambrosi, a local store owner from Boston, described the Cotswolds as "terribly beautiful," evidencing a growing trend of U.S. nationals making the transition to this idyllic region. The appeal of the Cotswolds has been likened to that of the Hamptons in the U.S., offering an exclusive countryside lifestyle enhanced by a spate of private members' clubs, which have been shown to positively influence local property values and desirability. The presence of such clubs not only elevates the allure of the area but also attracts high-net-worth individuals, leading to increased demand and rising prices.

Despite these trends, the rural housing market as a whole is experiencing a slowdown post-pandemic, exacerbated by rising mortgage rates and the diminishing feasibility of widespread remote work. Many buyers who flocked to the countryside during Covid-19 now find themselves in a difficult position, with properties taking longer to sell and often selling below their initial asking prices. Areas such as Dorset and Cornwall are struggling with lengthy sales periods, yet the Cotswolds maintain their robust value, with some experts predicting a potential market recovery supported by decreasing inflation rates and expected interest rate cuts.

With rising house prices continuing to outstrip earnings, many Londoners are reconsidering their relocation plans. As evidenced by trends from recent years, those opting for properties outside of London are increasingly gravitating toward more affordable commuter towns rather than the traditionally pricier Cotswolds. Historical data indicates that Londoners accounted for only 5.7 per cent of home purchases outside the capital in 2024, a stark contrast to the surge witnessed during the pandemic.

Interestingly, themes of gentrification and exclusivity have emerged, fueling an ongoing debate about the socio-economic implications of such trends. While these rural areas may offer opportunities for large-scale investment and property development, they also risk altering the fabric of local communities, potentially leading to a homogenized landscape that caters primarily to wealthier newcomers rather than existing residents.

As this complex interplay of rising costs, shifting demographics, and changing societal values continues to reshape the housing landscape, both Londoners and locals in the Cotswolds must navigate a marketplace that is becoming increasingly challenging, with long-term implications for community and culture.

## Reference Map:

* Paragraph 1 – [[1]](https://www.oxfordmail.co.uk/news/25205363.londoners-priced-cotswolds/?ref=rss), [[2]](https://www.ft.com/content/40dd631a-51cf-4816-895b-d36479f30d04)
* Paragraph 2 – [[1]](https://www.oxfordmail.co.uk/news/25205363.londoners-priced-cotswolds/?ref=rss), [[5]](https://www.telegraph.co.uk/money/property/what-really-like-live-cotswolds/)
* Paragraph 3 – [[4]](https://www.ft.com/content/486ebc7a-4ce7-4820-91f3-c3e6723e147e), [[3]](https://www.ft.com/content/0205615a-3753-49c9-bba9-9faeddd56cce)
* Paragraph 4 – [[6]](https://www.ft.com/content/ab7ca00f-d8f0-4143-a802-78630090097b)
* Paragraph 5 – [[2]](https://www.ft.com/content/40dd631a-51cf-4816-895b-d36479f30d04), [[6]](https://www.ft.com/content/ab7ca00f-d8f0-4143-a802-78630090097b)
* Paragraph 6 – [[3]](https://www.ft.com/content/0205615a-3753-49c9-bba9-9faeddd56cce)

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## Bibliography

1. <https://www.oxfordmail.co.uk/news/25205363.londoners-priced-cotswolds/?ref=rss> - Please view link - unable to able to access data
2. <https://www.ft.com/content/40dd631a-51cf-4816-895b-d36479f30d04> - The rural housing market, which boomed during the pandemic, is now experiencing a significant slowdown as higher mortgage rates and the end of widespread remote work take effect. Buyers who moved to the countryside during Covid are facing tough conditions to sell their properties, as prices in prime regional markets have fallen and sales are taking longer. For instance, properties in Swanage, Dorset, and St Ives, Cornwall are experiencing significant delays in finding buyers. Many rural homes are now selling below the asking price, and locals are still struggling with high property prices. However, some areas like Rutland and the Cotswolds are defying the trend, maintaining or even increasing their property values. Estate agents see a potential market recovery with falling inflation rates and possible interest rate cuts, but sellers need to be realistic about pricing to attract buyers.
3. <https://www.ft.com/content/0205615a-3753-49c9-bba9-9faeddd56cce> - The author reflects on living in London for a decade, noting the high cost of living and questioning whether it's appropriate to complain about it. Many millennials and Gen Z individuals are leaving London due to financial pressures, with a significant number moving to commuter towns where housing is more affordable. Statistics from Hamptons estate agents show a trend of Londoners buying homes outside the city. There is an ongoing debate about whether individuals who move to London, rather than being born there, can justifiably complain about the cost of living, with arguments suggesting that interlopers contribute to the gentrification of the city. Despite the high costs and challenges presented by the rental market and student loans, many still move to London for career opportunities. The author acknowledges that freedom of movement is a privilege and directs criticism toward exploitative landlords instead of individuals choosing to live in or leave London.
4. <https://www.ft.com/content/486ebc7a-4ce7-4820-91f3-c3e6723e147e> - The rise of posh members' clubs, like Inness in upstate New York, significantly influences local housing markets by increasing property desirability and prices. These clubs offer exclusive country retreats with luxury amenities attracting high-net-worth individuals. Estate agency research by Knight Frank found that homes within 15 minutes of such clubs are in double the demand and sell 2.5 weeks faster than those further away. In some regions, house prices near popular clubs can be up to 20% higher. This trend is seen globally with clubs like Soho House and Bathing Corporation influencing the real estate market in areas like the Hamptons and Sussex. Even in urban areas, proximity to family clubs like Jaego's House in London boosts property appeal. However, there's criticism about the homogenization and gentrification effects these clubs bring to local communities. The phenomenon highlights a growing social identity need among homeowners, eager to belong to exclusive communities while boosting property investments.
5. <https://www.telegraph.co.uk/money/property/what-really-like-live-cotswolds/> - The Covid pandemic and with it the acceptability of working from home turbo-charged the Cotswolds and sent the prices of its honey-hued properties soaring. In 2021, at the height of the race for space, Hamptons estate agency says a record 14pc of buyers in the area came from London. Now, the average house price rivals that of the capital, at £500,000, a whisker away from London at £503,000, according to the Office for National Statistics. In West Oxfordshire, home to many of the north Cotswolds celebrity magnets, house prices are now 25pc higher than they were in 2019, Hamptons says. And, while you can get a cottage for £300,000 in, say, Chipping Norton, a large village house in the best areas will be £1.5m to £2.5m, while estates go for tens of millions. Buyers might still get a cottage for £300,000 in Chipping Norton, but prices in the region are on a par with London DavidCC / Alamy Stock Photo. It currently takes an average of 84 days between a home going on the market and the seller accepting an offer, more than triple the 24-day average in 2021, Hamptons says. Properties that changed hands in Chipping Norton this year sold for £78,700 less than the initial asking figure, according to analysis by the property analytics company TwentyCi. This discount is far higher than in previous years: in 2023 homes sold for £34,000 less than asking, and in 2022 that number was just £4,000. If a house is on the market for too much money, it’s simply not selling, says Lindsay Cuthill, of Blue Book agency. “Buyers won’t overpay – even if it means being David Beckham’s neighbour.” The majority of buyers are British, says Giles Lawton, of Strutt & Parker. “It’s typically someone working in finance but we have had some Americans.
6. <https://www.ft.com/content/ab7ca00f-d8f0-4143-a802-78630090097b> - The number of Londoners relocating from the capital to the countryside has decreased to its lowest level since 2013, according to research by estate agent Hamptons. 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 are cited as reasons. In 2024, Londoners accounted for only 5.7% of home purchases outside London, a sharp drop from the Covid-era peak in 2021. Despite high property costs, first-time buyers are more likely to purchase homes outside the capital, seeking more affordable options in commuter towns. Additionally, some former residents are returning to London, leveraging stagnant house prices and desiring shorter commutes and cultural amenities. Central London property prices have also declined since 2013, especially in affluent areas like South Kensington and Chelsea, impacted by tax increases.
7. <https://www.ons.gov.uk/visualisations/housingpriceslocal/E07000079/> - The average house price in Cotswold was £444,000 in December 2024 (provisional), similar to the revised figure for December 2023. Across the South West, the average house price rose by 3.8% over the same period. In December 2024, Cotswold had the highest average house price in the South West. Across Great Britain, a home sold for an average of £271,000 in December 2024, which was up from the December 2023 average of £259,000. In the year to December 2024, the average price for terraced properties in Cotswold rose by 1.5%, while the average price for detached properties decreased by 1.2%. For each property type, average prices as of December 2024 in Cotswold were: Detached properties: £705,000; Semi-detached properties: £422,000; Terraced properties: £362,000; Flats and maisonettes: £229,000.