

PRESS RELEASE

Date Issued: Friday 18 December 2020

Embargoed until 00.01 hrs Saturday 26 December 2020

LONDON LEAVERS BUY 73,950 HOMES OUTSIDE THE CAPITAL IN 2020

THE HIGHEST LEVEL IN FOUR YEARS AS PEOPLE MOVE FURTHER THAN EVER BEFORE

- London leavers purchased 73,950 homes outside the capital in 2020, the highest level in four years despite the seven-week closure of the housing market (chart 1, table 1).
- The average London leaver spent £372,860 on their home outside the capital, which equates to a collective total of £27.6 billion over the year – the highest figure since 2007 (table 1)
- In H2 2020 alone this figure rose to £18.4bn, more than in any full year between 2008 and 2013.
- The average (median) distance moved by a Londoner buying outside the capital hit 40 miles for the first time in over a decade, up from just 28 miles during the first three months of the year (chart 2).

One of the biggest trends to emerge in the housing market since the onset of Covid-19 has been outmigration from cities, particularly for those leaving London. In 2020 London leavers purchased 73,950 homes outside the capital, the highest number in four years, despite a seven-week closure of the housing market (chart 1, table 1).

Collectively, Londoners bought £27.6bn worth of property outside the capital this year, the highest amount since 2007 when London outmigration peaked (table 1). This figure exceeds the total value of all homes sold in the North West last year (£24.8bn).

However, there has been a clear increase in the popularity of London outmigration since the onset of Covid-19. In the first half of 2020, London leavers bought 6.9% of homes sold outside the capital, equating to 24,480 sales. However, in the second half of 2020, this figure rose to 7.8% and twice as many sales (49,470) (chart 1). In H2 2020 alone, Londoners purchased £18.4bn worth of property outside the capital, more than in any full year between 2008 and 2013. /...

Since the housing market re-opened in May, Londoners leaving the capital have travelled further than ever before. The average (median) distance moved by a Londoner buying outside the capital hit 40 miles for the first time in over a decade, up from just 28 miles during the first three months of the year (chart 2). This means the average person leaving London from May onwards travels as far as Cambridge to the north, Colchester to the east, Brighton to the south or Didcot to the west.

While on average those buying outside the capital have bought further away than at any time during the last decade, how far buyers travel depends on who they are and how strong their ties to London are. First-time buyers tend to retain more of their ties to the capital, moving shorter distances than anyone else. Since May, the average first-time buyer leaving the capital bought 26 miles away.

Conversely someone selling a home in London tends to sever their ties more deeply by moving much further. The average person selling their London home to buy outside the capital travels 41 miles, 57% further than a first-time buyer. These numbers are reflected in the sorts of homes leavers buy, with someone buying a two-bed property moving an average of 34 miles, while someone buying a four-bed travels 43 miles.

Sevenoaks recorded the biggest increase in the share of homes bought by Londoners. This year, 62% of homes in the area were bought from a Londoner, 39% higher than in 2019. Windsor and Maidenhead (+27%), Oxford (+17%) and Rushmoor (+15%) in Hampshire follow (table 2).

Commenting Aneisha Beveridge, Head of Research at Hamptons, said:

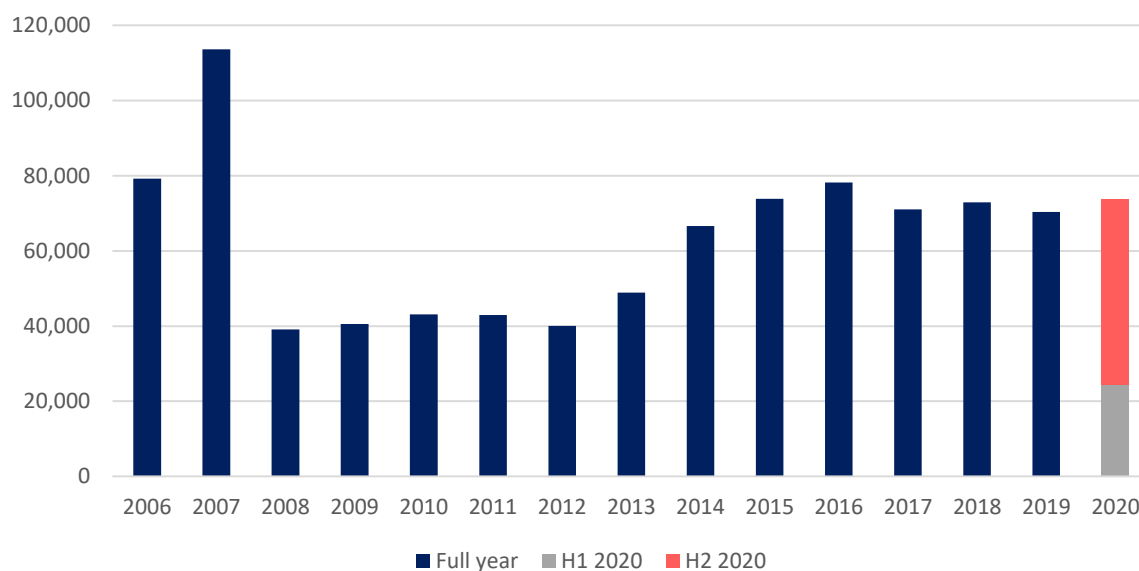
"Despite Covid-19 closing the housing market for seven weeks, the number of homes bought by Londoners outside the capital has risen to the highest level in four years. While leaving London has been a rite of passage for many, often families reaching life stage milestones, the effects of lockdown and the desire for space seems to have heightened this drift.

"Meanwhile the lure of a stamp duty holiday acted as an impetus for more buyers to bring future planned moves forward. The prospect of homeworking more regularly has also meant that London leavers are moving further than ever before. The average London leaver moved 10 miles further than in 2019 as buyers' favour space over commutability.

"We expect this outmigration trend to continue into the first half of next year too. But usually as prices in the capital begin to flatline, which we forecast to happen in the second half of 2021, more Londoners decide stay put. Even so, given the housing market has been anything but normal since the onset of Covid, we expect to see the total number of homes bought by London leavers next year hit 2016 levels."

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Chart 1 – Number of homes bought by Londoners leaving the capital



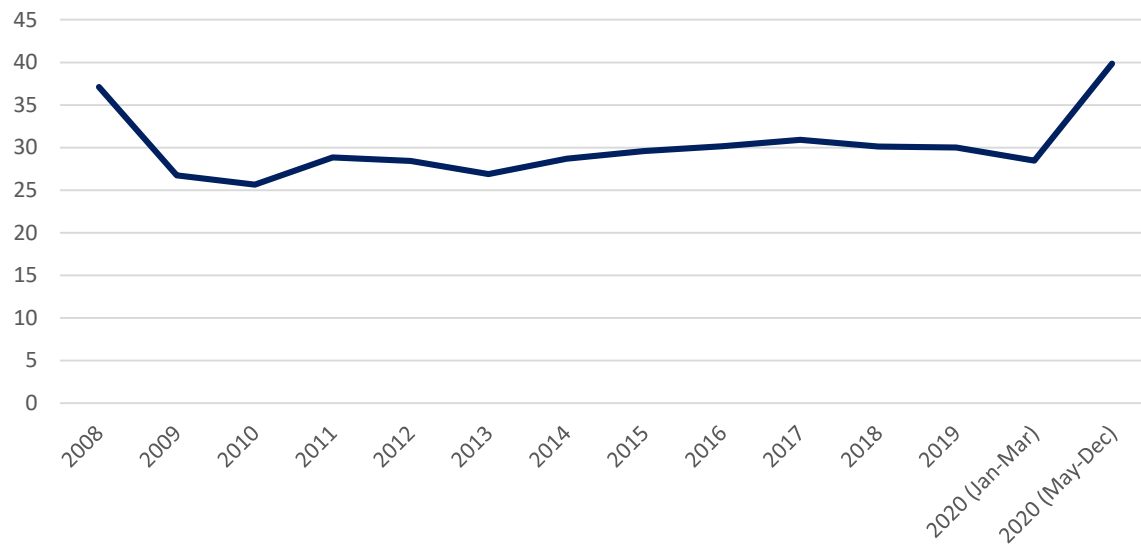
Source: Hamptons

Table 1 – Number and total value of homes bought by Londoners leaving the capital

	Number	Total Value (£bn)
2006	79,230	£ 23.1
2007	113,650	£ 36.6
2008	39,120	£ 10.5
2009	40,520	£ 10.4
2010	43,120	£ 11.7
2011	42,930	£ 10.9
2012	40,080	£ 11.3
2013	48,940	£ 15.3
2014	66,650	£ 21.3
2015	73,830	£ 23.3
2016	78,170	£ 25.5
2017	71,040	£ 24.7
2018	72,890	£ 26.6
2019	70,380	£ 25.8
2020	73,950	£ 27.6

Source: Hamptons

Chart 2 – Average (median) miles moved by London leavers



Source: Hamptons

Table 2 – Top 15 local authorities with the biggest increase in the share of homes bought by Londoners

	% of homes bought by Londoners 2020	YoY increase
Sevenoaks	62%	39%
Windsor and Maidenhead	38%	27%
Oxford	33%	17%
Rushmoor	27%	15%
Eastbourne	20%	15%
Wokingham	33%	13%
Stevenage	19%	12%
Luton	29%	10%
Epsom and Ewell	62%	10%
Brighton and Hove	19%	10%
Gravesham	30%	9%
Watford	45%	9%
Spelthorne	75%	8%
Surrey Heath	14%	7%
Basildon	28%	6%

Source: Hamptons

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