

Most Affordable & Least Affordable Cities to Buy A House in the UK - 2020

Submitted by: Open Property Group

Thursday, 21 May 2020

In 2020, property prices in cities across England, Scotland and Wales need to fall by an average of 37 per cent to 125,400 GBP to make owning a home affordable for a single person earning an average wage.

For the second year running, the only place that is affordable for a single person with an average salary for that city and a mortgage of 3.5 times salary is Durham according to research from Open Property Group.

Using average salary and house price data for cities, it can reveal Oxford is the most overpriced place in England where prices would need to fall by 70 per cent for someone with a 20 per cent deposit earning an average wage to afford to buy.

It was closely followed by the City of Westminster, where a drop of 69 per cent would be needed and Cambridge, which would require a drop of 67 per cent.

At the other end of the country house prices in Durham could rise by 16 per cent and still be affordable for someone on an average wage with a 20 per cent deposit and a mortgage of 3.5 times salary.

Open Property Group Managing Director, Jason Harris-Cohen said: "In terms of average house prices, I believe that property prices have already fallen 5% since the COVID-19 outbreak, however we may notice further regional falls depending on micro economic and social issues, as some geographic areas have experienced greater outbreaks of this virus.

For government initiatives, I think that the government should offer a stamp duty holiday to home movers for an initial period.

I would like to see government-backed loans for property buyers to encourage lending and create more liquidity in the market. Lenders are going to be risk averse in the short term and therefore any reluctance to lend will lead to lower mortgage approvals and ultimately less transactions"

Top 10 LEAST Affordable Cities to buy a house in 2020:

1. Oxford
2. City of Westminster
3. Cambridge
4. Brighton and Hove
5. Chichester
6. Bath
7. St Albans
8. Chelmsford
9. Exeter
10. Bristol

Top 10 MOST Affordable Cities to buy a house in 2020:

1. Durham
2. Stoke-on-Trent
3. Hull
4. Sunderland
5. Liverpool
6. Preston
7. Bradford
8. Newcastle upon Tyne
9. Carlisle
- 10 Derby

For more information and the full dataset please contact us on: david@openpropertygroup.com +447427623617