

Nationwide HOUSE PRICE INDEX



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Special Report
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National Parks produce 22% price premium

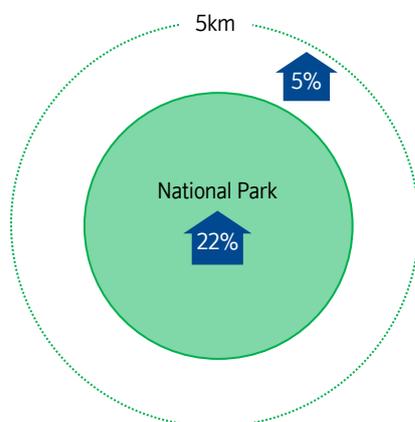
- 22% premium for a property situated within a National Park
- 5% premium for a property within 5km of a National Park

Commenting on the figures, Andrew Harvey, Senior Economic Analyst at Nationwide, said:

“National Parks are highly desirable areas in which to live thanks to the beautiful countryside. National Parks are ‘Britain’s breathing spaces’ and those living in the parks can make the most of the great outdoors with a range of activities on their doorstep. The main National Parks in England also have easy access to major employment centres. Development is also controlled, with limited new housing construction, which also helps to explain why prices tend to be relatively high.

“Our research suggests a property located within a National Park attracts a 22% premium over an otherwise identical property. This is around £46,000 in cash terms based on the current average UK house price (c.£210,000 in Q2 2017).

“Moreover, the premium is not limited entirely to properties located within the boundaries of the National Park. There is also evidence of a ‘fringe benefit’ for properties located close by. Properties within 5km (c.3 miles) of a National Park command a 5% premium compared with those outside of this range.



The New Forest is the most expensive National Park to live in, while the South Downs has highest population

“The table below shows average house prices in the main National Parks and also an indicative premium for each park (note, this is based on the overall premium as it is not possible to estimate an individual premium for each park).

National Park	Land Area (km ²)	Popl. living in park	Average house price	Indicative premium
New Forest	570	34,000	£525,000	£115,500
South Downs	1,624	115,000	£350,000	£77,000
Lake District	2,362	40,100	£250,000	£55,000
Dartmoor	953	34,000	£245,000	£53,900
Yorkshire Dales	2,178	19,600	£234,000	£51,500
The Cairngorms	4,528	17,000	£233,000	£51,300
Peak District	1,437	37,200	£230,000	£50,600
Brecon Beacons	1,344	33,400	£230,000	£50,600
Snowdonia	2,176	25,500	£157,000	£34,500

Sources: Nationwide, ONS, National Parks UK

“The New Forest is the most expensive National Park in which to purchase property, with an average price of £525,000. Settlements within the park include Ashurst, Lyndhurst and Brockenhurst.

“The South Downs, England’s newest National Park, spans 1,624km² across Hampshire and Sussex, and has the highest resident population at c.115,000. The park includes a number of towns situated in the western Weald, including Petersfield, Liss, Midhurst and Petworth.

“The Lake District is the UK’s most visited National Park, with an estimated 16.4 million visitors a year. It is also the largest of the thirteen National Parks in England and Wales. The main settlements in the park include Keswick, Ambleside, Windermere and Bowness-on-Windermere.

“The Cairngorms is the largest National Park by land area, but is located within a very sparsely populated part of Scotland. Loch Lomond and the Trossachs are closest to

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major cities such as Glasgow and Edinburgh, with an estimated 1.1 million people within 25km.

“National Parks cover 20% of the land area in Wales, the highest proportion of the home nations. The largest of these is Snowdonia, covering 2,176km². The most populous however is the Brecon Beacons, with an estimated 1.8 million living within 25km.”



Notes

The methodology correlates the price paid for a property against the set of property characteristics (including the property type, age, number of bedrooms), locality (local neighbourhood as described by ACORN), with additional variations for being in a National Park and within 5km (as measured on a straight line distance). The data was drawn from Nationwide's house purchase mortgage lending at the post survey approvals stage in Great Britain in the 12 months to June 2017.

There are fifteen National Parks in Great Britain, the table shows data for the main National Parks.

Land area and visitor numbers for National Parks from: <http://www.nationalparks.gov.uk/students/whatisanationalpark/factsandfigures>

Population for National Parks sourced from ONS National Park Mid-Year Population Estimates (except for The Cairngorms where data is from National Parks UK).

Average house prices for National Parks are median prices using Nationwide's data for the 12 months to June 2017.

Population within 25km of National Parks estimated using Census 2011 data from Office for National Statistics & National Records of Scotland

More information on the house price index methodology along with time series data and archives of housing research can be found at <http://www.nationwide.co.uk/about/house-price-index/headlines>

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