

Nationwide HOUSE PRICE INDEX



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Special Report
November 2020

National Parks produce 20% price premium

- 20% premium for a property situated within a National Park
- 6% premium for a property within 5km of a National Park

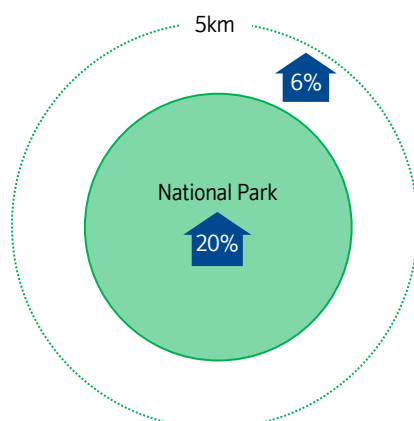
Commenting on the figures, Andrew Harvey, Senior Economist at Nationwide, said:

“The government has recently announced plans to create new national parks in England as part of their 25 Year Environment Plan. Each National Park is unique, but all are highly desirable areas in which to live thanks to the beautiful countryside.

“Those living in the parks can make the most of the great outdoors with a range of activities on their doorstep. 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 20% premium over an otherwise identical property. This is around £45,000 in cash terms based on the current average UK house price (c.£224,000 in Q3 2020). This is slightly higher than the premium identified in our 2019 research (which was 19%).

“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 6% 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 a selection of 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)	Pop. living in park	Average house price	Indicative premium
New Forest	570	35,500	£475,000	£95,000
South Downs	1,624	117,900	£368,000	£74,000
Peak District	1,437	36,900	£280,000	£56,000
Dartmoor	953	34,600	£238,000	£48,000
Lake District	2,362	40,300	£234,000	£47,000
Brecon Beacons	1,344	34,000	£222,000	£44,000
Pembrokeshire	621	22,300	£193,000	£39,000
Snowdonia	2,176	25,500	£157,000	£31,000

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 £475,000. Settlements within the park include Ashurst, Lyndhurst and Brockenhurst.

“The South Downs, which celebrates its 10 year anniversary this year, spans 1,624km² across Hampshire and Sussex. It has the highest resident population of any of the National Parks at c117,900. The park takes in a number of towns situated in the western Weald, including Petersfield, Liss, Midhurst and Petworth.

“The Peak District is most centrally located National Park, making it accessible from major population centres such as Derby, Sheffield and Manchester. It the nearest National Park for an estimated 16.4 million people, with 7.1 million living within an hour’s drive.

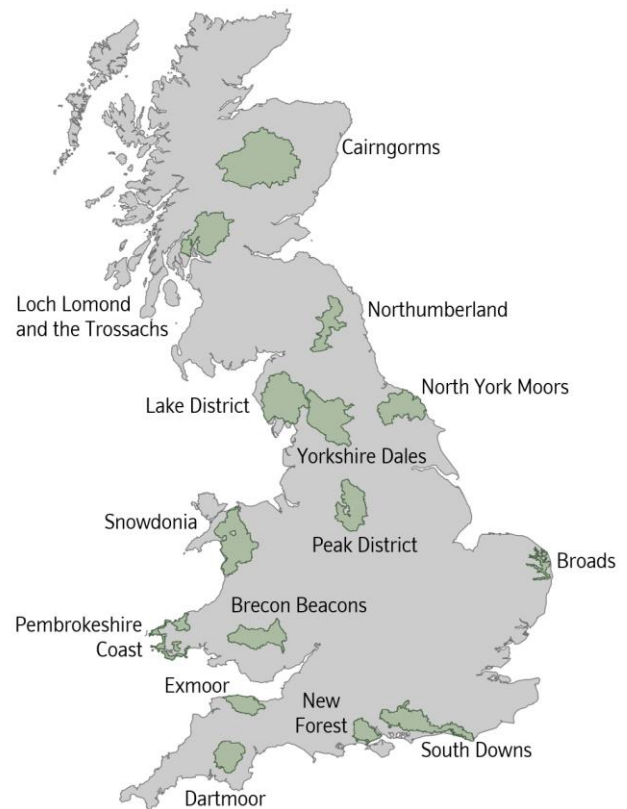
“Tourism is a key industry for the Lake District, the UK’s most visited National Park, with an estimated 16.4 million visitors a year. It is also the largest of the thirteen National Parks in England and Wales. The main towns in the park

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include Keswick, Ambleside, Windermere and Bowness-on-Windermere.

“National Parks cover 20% of the land area in Wales, the highest proportion of the home nations, with the largest, Snowdonia, covering 2,176km². In South Wales, the Brecon Beacons is conveniently located for those living in Newport & Cardiff, with an estimated 2.4 million people within an hour’s drive time.

“The Cairngorms is the largest National Park by land area, and is home to c17,000 people. Loch Lomond and the Trossachs are more easily accessible from the central belt however, with an estimated 2.8 million within an hour’s drive.”



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 variables for being in a National Park and within 5km (based 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 September 2020. Contains OS data © Crown copyright and database rights 2019.

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 September 2020.

Drive times based on journeys to key destination towns inside respective National Park. Population 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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