

Nationwide HOUSE PRICE INDEX



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Special Report
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National Parks and Areas of Outstanding Natural Beauty boost house prices by up to 25%

- 25% premium for a property situated within a National Park
- 7% premium for a property within 5km of a National Park
- 13% premium for a property located in Area of Outstanding Natural Beauty (AONB)

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

“National Parks continue to be 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 and take advantage of a range of activities and amenities. Development is also controlled with limited new housing construction, which also helps to explain why prices tend to be relatively high.

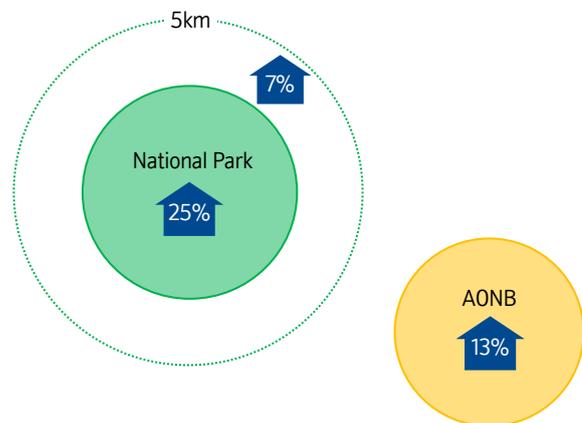
“Our analysis suggests a property located within a National Park attracts a 25% premium over an otherwise identical property. This is around £67,600 in cash terms based on the current UK average house price (£270,452 in Q2 2022).

“The premium is five percentage points higher than in 2020¹ and follows a trend we have seen since the pandemic, with increased demand for properties in more rural areas. We’ve also seen strong house price growth in a number of areas closely associated with tourism, with signs that some of the demand may be driven by those buying holiday or second homes.

“There also continues to be evidence of a ‘fringe benefit’ for properties located close to National Parks. Those within 5km (c.3 miles) of a National Park command a 7% premium compared with those outside of this range.

“We’ve also looked at Areas of Outstanding Natural Beauty (AONBs) in England & Wales, such as the Cotswolds, Chilterns and Surrey Hills, and found that properties in these

areas attract a 13% price premium (over an otherwise identical property). These areas include some highly desirable locations and, as with National Parks, the premium is likely to reflect the attractiveness of rural areas and the associated lifestyle.



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.

National Park	Land Area (km ²)	Population living in park	Average house price
New Forest	570	35,500	£650,000
South Downs	1,624	118,400	£450,000
Lake District	2,362	40,300	£380,000
Brecon Beacons	1,344	34,000	£350,000
Peak District	1,437	36,900	£340,000
Yorkshire Dales	2,179	23,700	£318,000
Dartmoor	953	34,800	£310,000
Snowdonia	2,176	25,600	£184,000

Sources: Nationwide, ONS, National Parks UK

¹ National Parks Special Report 2020
<https://www.nationwidehousepriceindex.co.uk/reports/national-parks-produce-20-percent-price-premium>

“The New Forest remains the most expensive National Park in which to purchase a property, with an average price of £650,000. Villages within the park include Ashurst, Lyndhurst and Brockenhurst.

“The South Downs has the highest resident population of any of the National Parks at 118,400. The park includes a number of sought-after towns in Hampshire and Sussex such as Petersfield, Liss, Midhurst and Petworth.

“The Lake District is the UK’s most visited National Park, with an estimated 16.4 million visitors per year, and is also the largest of the 13 National Parks in England and Wales. The main towns in the park include tourist hotspots, such as Ambleside, Bowness-on-Windermere and Keswick.

“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 the most accessible for those living in Newport and Cardiff, with an estimated 2.4 million people living within an hour’s drive time.

“In Scotland, Loch Lomond and the Trossachs are the most visited National Park, due to easy access from the central belt. An estimated 2.8 million people are within an hour’s drive of the park.

Surrey Hills highest priced AONB

“The Areas of Outstanding Natural Beauty (AONBs) in England and Wales² have been designated for conversation due to their significant landscape value. They all differ greatly in terms of size, type and use of land. AONBs cover 15% of England’s land area and are home to over one million people.

“Whilst not as well as known as National Parks, these are desirable places to live and as such tend to see relatively high house prices. The table below shows average high prices in a selection of the largest AONBs.

Area of Outstanding Natural Beauty	Land Area (km ²)	Average house price
Surrey Hills	422	£750,000
Chilterns	833	£613,000
High Weald	1,450	£490,000
Cotswolds	2,038	£463,300
Kent Downs	878	£449,000
North Wessex Downs	1,730	£435,000
Dorset	1,129	£350,000
South Devon	337	£327,000

Sources: Nationwide, ONS, NAAONB

“Surrey Hills is the most expensive AONB in which to purchase property, with average prices of £750,000. The AONB was designated in 1958 and covers a quarter of the county of Surrey. Around 37,000 people live in the Surrey Hills AONB, mostly in small villages and rural hamlets, such as Shere, Mickleham and Westhumble.

“The Chilterns AONB runs from the picturesque Goring-on-Thames up through parts of Oxfordshire, Buckinghamshire, Bedfordshire and Hertfordshire. A popular area for walking, the hills and woodlands provide striking landscapes, and includes some highly desirable villages.

“The Cotswolds is the UK’s largest AONB, stretching from North East Somerset to South Warwickshire. Some of the main towns and villages within the AONB include Tetbury, Bourton-on-the-Water and Stow-on-the-Wold. The Cotswolds is a popular tourist destination, but its central location and good rail accessibility also attracts commuters.

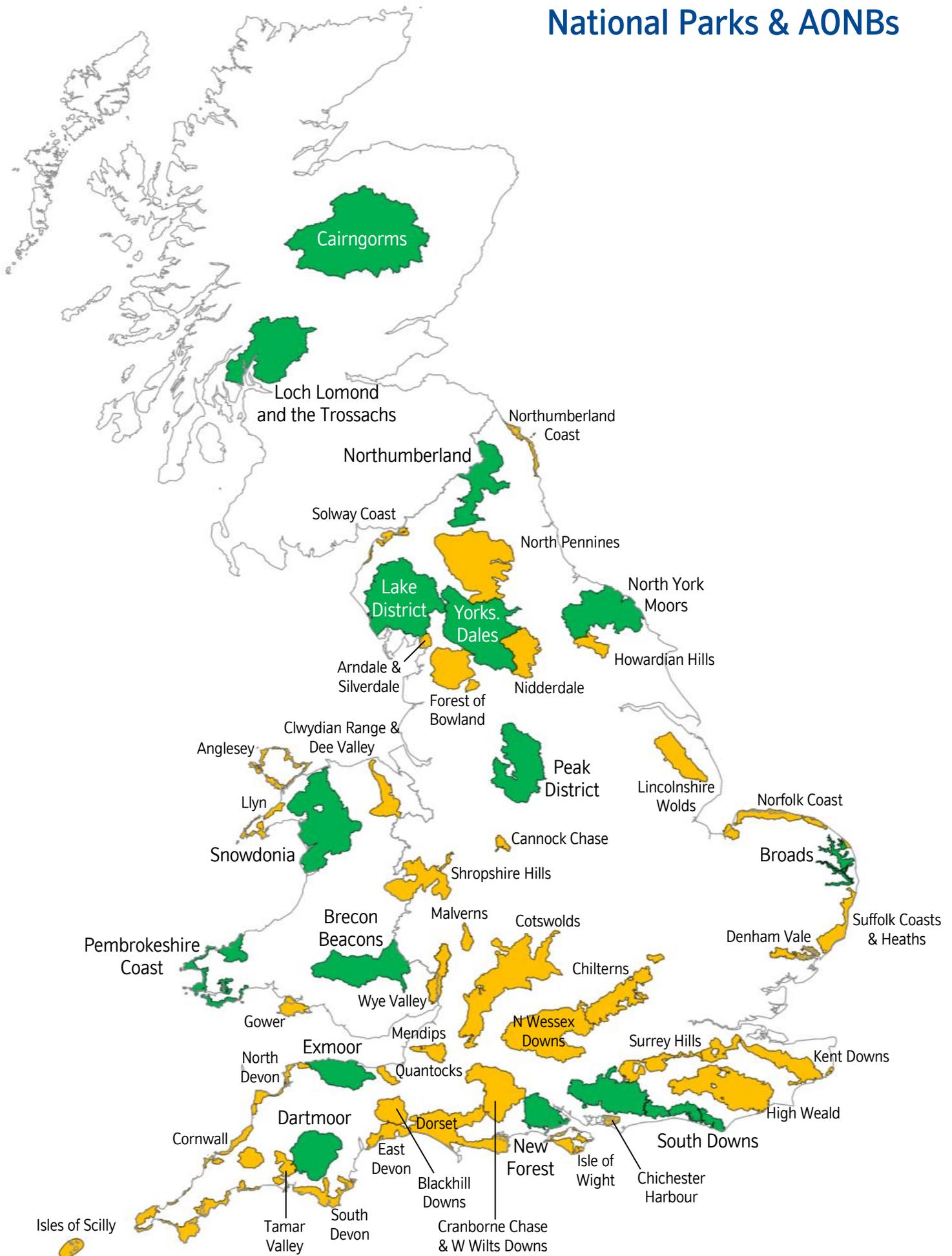
“The North Wessex Downs is another area which is popular with commuters. The third largest of the AONBs straddles parts of Hampshire, Wiltshire, Berkshire and Oxfordshire, and includes sought after market towns Marlborough and Hungerford.

“Dorset AONB covers just over 40% of the county of Dorset, stretching from Lyme Regis to Poole Harbour and inland as far as Blandford Forum. The coastal part of the AONB is a highly popular tourist area and sees high levels of second homeownership.

“Another area where second home ownership is significantly above average in the South Hams district, much of which is in the South Devon AONB. This area includes seaside resorts such as Salcombe and Dartmouth.”

² There are 8 AONBs in Northern Ireland, but these are not included in this research. The Scottish equivalent of AONBs, National Scenic Areas (NSAs), have been included where applicable.

National Parks & AONBs



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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, being within 5km of a National Park (based on a straight line distance) and being within an Area of Outstanding Natural Beauty (AONB) (or National Scenic Area in Scotland). 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 2022. Contains OS data © Crown copyright and database rights 2019.

There are 15 National Parks in Great Britain, the table shows data for the main National Parks. There are 38 Areas of Outstanding Natural Beauty (AONBs) in England and Wales and 30 National Scenic Areas (NSAs) in Scotland. The table shows data for the largest AONBs in England, where sufficient data is available.

Average house prices for National Parks and AONBs are median prices using Nationwide's data for the 12 months to June 2022.

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 along with time series data and other housing research can be found at <https://www.nationwidehousepriceindex.co.uk/reports>

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