

PARKING PREMIUM HIGHLIGHTS PROPERTY PRICE GULF

A parking space in central London now costs more than a house in Middlesbrough, new figures reveal.

The findings come from a study by mortgage provider ING Direct, which questioned surveyors about factors that push up the price of a property.

The research highlighted some key features that add value to a property, including an average 10 per cent premium for a property boasting off-street parking.

Based on average house prices, this puts the value of a parking space in Kensington and Chelsea at £95,800 - £13,500 more than the average sale price of a house in Middlesbrough (£82,300).¹

This illustrates the dramatic house price gap between London and the rest of the UK, which continues to widen. Prices in the capital have risen by 0.3 per cent in the last year compared to significant falls in every other region of the UK (including -7.2 per cent in the North East).

Other value-adding factors identified in the study include having a garden (adding 10 per cent), falling into the catchment area of a very good school (14 per cent), or being near to a train station (5 per cent).

Commenting on the findings, Julian Hartley, Mortgage Director, ING Direct said:

“For most Britons, a parking space is a must for their ideal home – which is why so many of us are willing to pay for the privilege.

“And in central London locations, where you’ll find some of the most expensive properties in the world, a parking space will bring with it a hefty price-tag.”

Parking Premium by city

City	Parking premium (% value)	Average house value	Value of parking space
Birmingham	15%	£115,876	£17,381
Leeds	10%	£127,692	£12,769
Glasgow	10%	£138,784	£13,878
Sheffield	15%	£116,088	£17,413
Bradford	5%	£100,189	£5,009
Liverpool	5%	£96,168	£4,808
Edinburgh	10%	£225,378	£22,537
Manchester	10%	£96,353	£9,635
Bristol	10%	£167,231	£16,723
Southampton	10%	£141,737	£14,173
Greater London	10%	£340,308	£34,030
E&W average	10%	£159,999	£15,999

Ends

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Research methodology

Two research methods were used:

- ING Direct questioned their surveyor panel (e.Serv), consisting of 250 surveyors across the UK, asking them to estimate the added value (in percentage terms) for various features of a property
- All house price data/trends quoted come from the Land Registry October 2011 figures (released 28 November 2011), except figures on Scottish

property which was sourced from the Scottish Executive Agency (up to October 2011)

Footnotes

1. Surveyors at eServ place a 10 per cent premium on a London property with off-street parking. Average house price for Borough of Kensington & Chelsea is £958,000 (Land Registry). $0.10 \times 958,000 = 95,800$.