

RESIDENTIAL RESEARCH



FOCUS ON: PARSONS GREEN

2016



A LONDON VILLAGE

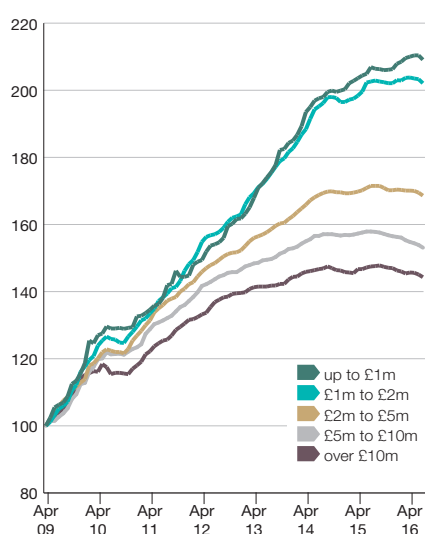
PRICE PERFORMANCE COMPARED

WALK-TIME MAP

A WELL-CONNECTED LONDON VILLAGE

Parsons Green in Hammersmith & Fulham is commonly referred to as one of London's 'villages', even though it is situated in Zone 2, between Putney and Chelsea.

FIGURE 1
Price growth by price band,
Prime Central London

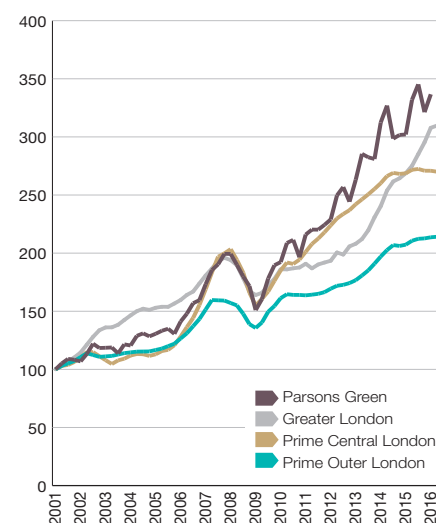


Source: Knight Frank Research

Property prices in Parsons Green have outperformed the wider local authority and Greater London since 2001, as shown in figure 2. In fact, analysis of price movement data shows that property price trends in Parsons Green have, in recent years, more closely reflected movements in neighbouring prime central London, rather than the immediate surrounds of Hammersmith and Fulham.

At present, the property market in London is facing some headwinds. The UK's decision to leave the EU has put a focus on the market, but the Referendum has only exacerbated trends already evident. These trends are a reflection of the impact of earlier policy changes – namely increases to stamp duty. Policymakers have changed stamp duty for higher value homes four times in the last five years, with the most recent changes in 2014, and the extra stamp duty for additional properties introduced in April this year, still being absorbed by the market.

FIGURE 2
How Parsons Green compares
Residential price growth 2001-2016



Source: Knight Frank Research

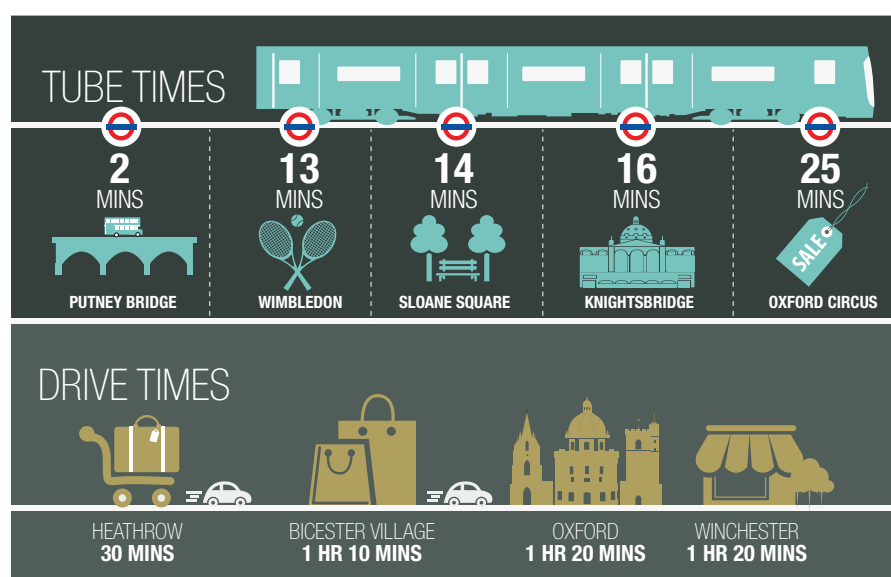
This has led to a multi-speed market in terms of price growth, with properties priced at under £2 million seeing stronger price growth than higher-value properties (figure 1).

Parson's Green is located on the New King's Road, which runs from the King's Road – a renowned London address. Yet despite being in the middle of London, Parsons Green sits partly within a conservation area, and residents have access to acres of green space. As well as the Green itself, Hurlingham Park, Eel Brook Common and South Park are all within a ten-minute walk, while the river is just 15 minutes away on foot.

Parsons Green station is on the district line, which means Earls Court, one of the most connected London stations, is just minutes away. Knightsbridge is just a 16 minute journey via the underground.

It is not just the tube which makes Parsons Green a transport hub – Heathrow airport is just half an hour away by car, while the Cotswolds, Winchester and the South

FIGURE 3
Travel times



Source: Knight Frank Research

Downs National Park are just over an hour's journey (with a trip to Bicester Village taking an hour and ten minutes).

More than half the housing stock in Hammersmith & Fulham dates from before 1900, and less than a fifth has been built in the last 40 years (as shown in figure 5). The supply of new homes has been relatively constrained compared to other local authorities in recent years.

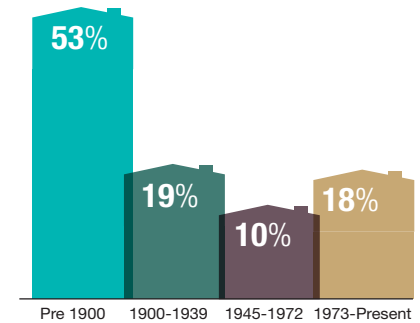
Across London as a whole, the undersupply of new homes remains notable. The demand for housing as indicated by household growth projections

is set to far outweigh the supply of new homes. The new Mayor of London has pledged to build around 50,000 new homes a year in the capital, but in 2015/16, only 24,140 new-build homes were completed.

Parsons Green is also very well served in terms of schooling, something which can have a tangible impact on pricing. The walk-time map shows the local schools in the area.

Within a challenging market, locations which have enviable amenities, excellent transport links and good schools will have a potential advantage.

FIGURE 5 **Housing stock by age**
Hammersmith & Fulham

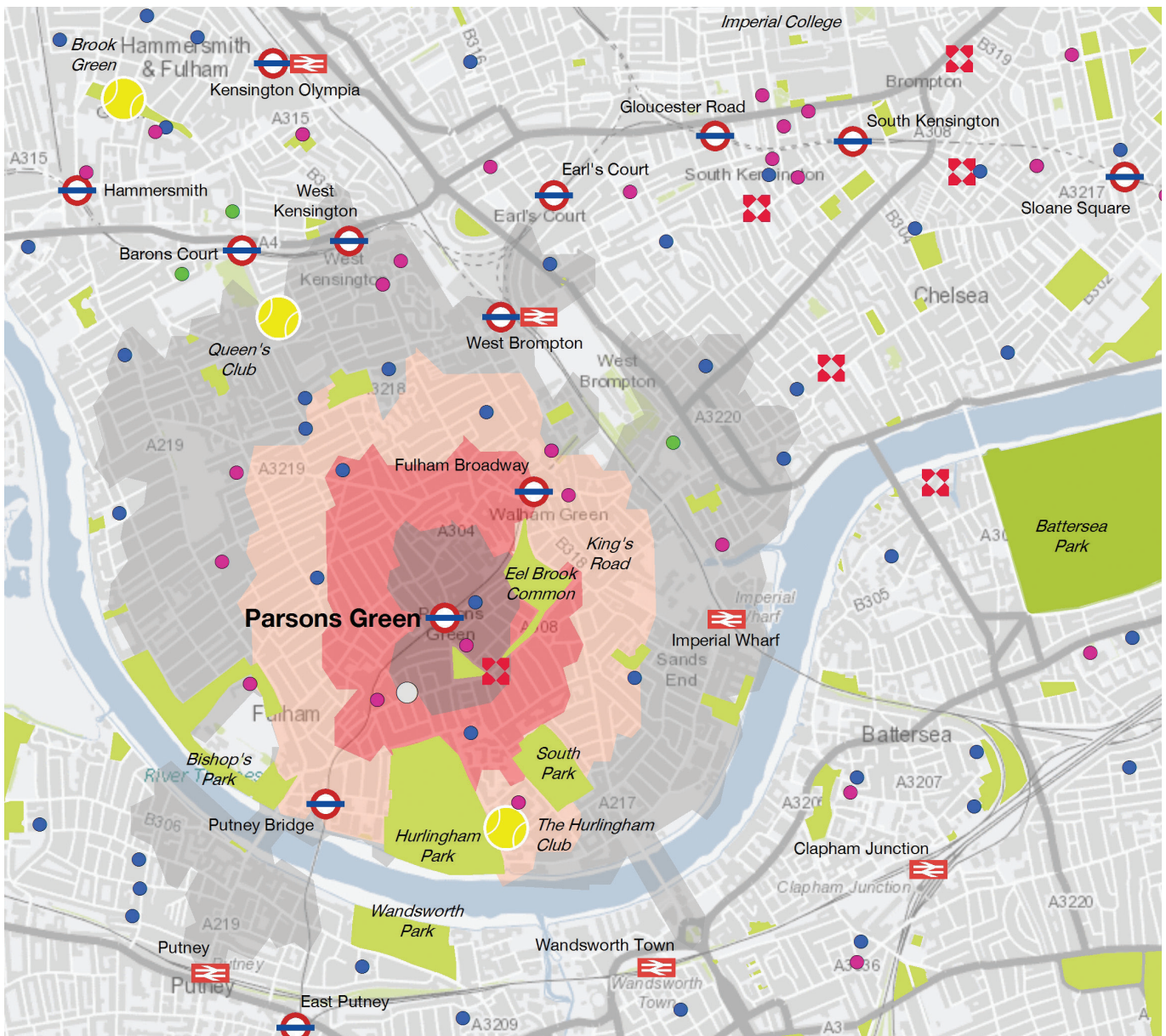


Source: Knight Frank Research

FIGURE 4

Parsons Green walk-time map

Legend: up to 5 mins (dark red), up to 10 mins (red), up to 15 mins (orange), up to 25 mins (light orange), Primary schools (blue dot), Secondary schools (pink dot), Sixth-form colleges (green dot), Underground stations (red circle with blue bar), Railway stations (red rectangle with white bar), Tennis courts (yellow circle), Knight Frank offices (red square with white cross).



Source: Knight Frank Research



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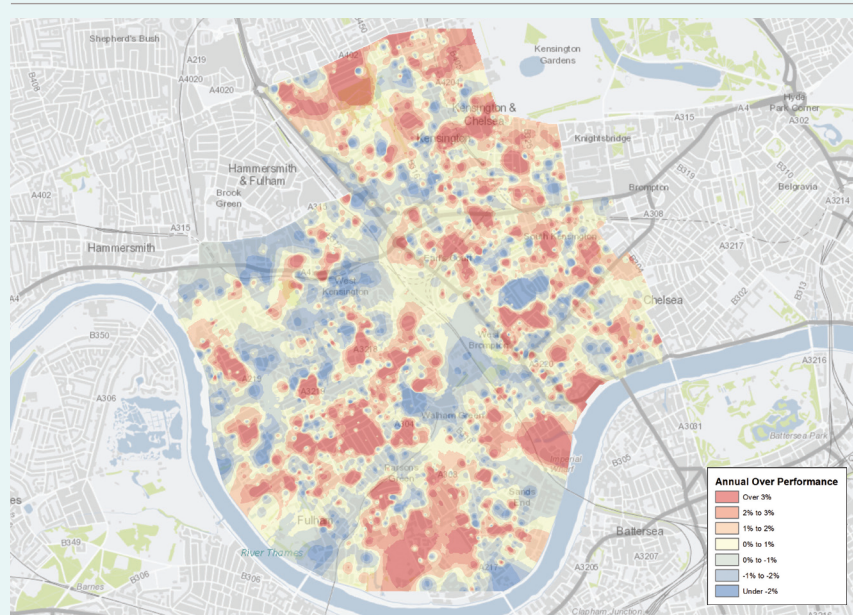
PRICE GROWTH IN A LOCAL CONTEXT

This map shows the price performance of each residential property compared to the average price growth across the mapped area. The red clusters show where home prices have outperformed the wider area over the last five years by more than 3% a year. In contrast, the blue areas show where price growth is lagging the wider local area, whereas

the yellow areas show where prices are moving broadly in line with average price growth across Fulham, parts of Chelsea and up into Kensington.

Price outperformance can often be linked to transport nodes, as well as the type of housing stock in the area. Proximity to green spaces can also provide a boost to pricing.

FIGURE 6 Over/under performance in pricing 2013 - 2016



Source: Knight Frank Research

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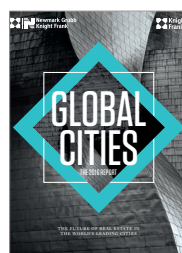
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