

RESIDENTIAL RESEARCH



# WESTERN PROMISE

THE IMPACT OF CROSSRAIL ON RESIDENTIAL PROPERTY  
FROM ACTON TO WEST EALING

Ealing Broadway Station

NEW JOURNEY TIMES

EXPANDED COMMUTER ZONES

FORECAST PRICE UPLIFTS

# OVERVIEW

*Crossrail is set to increase London's rail transport capacity by 10% when it opens in 2018, opening up greater parts of London to those living along the route. The new service is the biggest infrastructure project to be undertaken in London for twenty years, and will mark the largest single uplift in rail capacity since the Second World War. The scheme received Royal Assent in July 2008, and it will be completely finished by the end of 2019.*

In this report, we concentrate on the effect of the new rail line on residential property in the "near Western fringe": Acton, Ealing Broadway and West Ealing stations. We examine the impact the rail line has already had on prices, and forecast the uplift in prices we expect for property within a 10-minute walkzone of the stations. We are not discounting the value uplift that homes situated further away may experience, but we think the effect on prices will be most striking for property situated within a 10 minute walk.

While property prices surrounding the three stations have outperformed those in the wider local authority in recent years, average sales prices are still much lower than prices of homes surrounding more central stations. For example, when compared to prices within a 10 minute walk of Paddington station, prices around

these three stations are between 42% and 50% lower, as shown in **figure 1**. If we look at prices around Ealing Broadway as a base, comparable prices around Paddington station are some 72% higher. This increases the investment opportunities around our three stations, as the initial entry costs are lower for investors and homebuyers alike.

The fundamentals in the UK housing market at present, not least Government interventions such as Help to Buy, signal that the price growth seen over the last year is set to continue. Despite price to income ratios being relatively high, prices are being underpinned in many areas by a lack of supply, and this is a particularly relevant dynamic in the London market.

The improvement in the economy has also helped bolster confidence among homebuyers and movers, creating more activity in the market

*"These three areas offer lower entry costs coupled with the potential for significant price growth."*



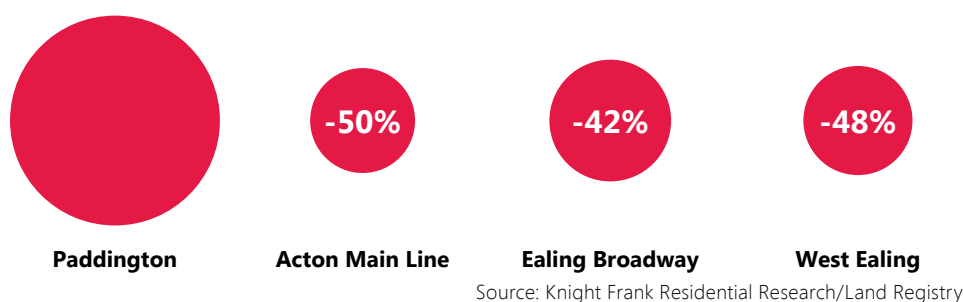
**Gráinne Gilmore,**  
Head of UK Residential  
Research

as a whole. We expect that residential prices in Greater London will outperform most other areas of the country in the coming years, with the pace of growth overtaking that of prices in the relatively localised prime central London market.

The "Crossrail effect" will provide an additional uplift of 1% every year over and above our base assumptions for price growth in the coming years, as shown in **figure 2**. We do not discount the possibility that price gains may accelerate as we move towards 2018, as Crossrail moves from being a major construction project to a slick and regular direct rail service across London in both directions. This will result in a total uplift in prices around these stations of around 36% by the end of 2018.

## How average sales prices in 10-minute walkzones compare to Paddington **Figure 1**

Mean price 10-min walkzone Paddington = 100

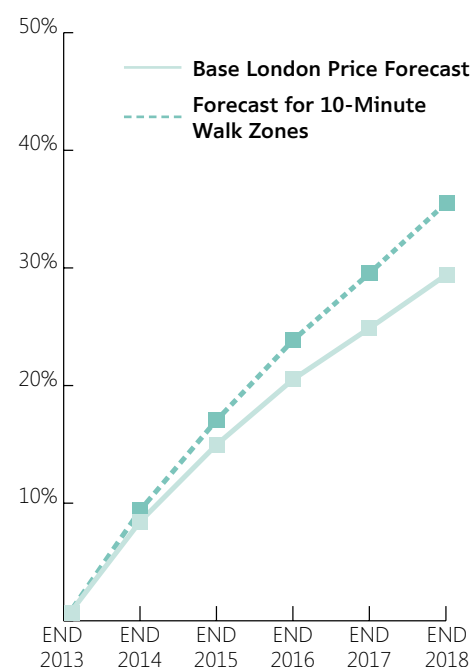


### Crossrail is set to open in stages:

- **May 2018:** Heathrow to Paddington
- **December 2018:** Heathrow to Paddington. Paddington through central London to Abbey Wood (change trains at Paddington).
- **December 2019:** All stations open for direct services between Maidenhead and Abbey Wood and Shenfield.

Source: Crossrail

## Forecast additional price growth for all stations: 1% per annum **Figure 2**







## THE CROSSRAIL EFFECT

Crossrail will be situated in the existing tube and mainline stations in all three stations, but the stations themselves, and in some cases the surrounding areas, are set to undergo substantial re-development. While much of the additional value for residential property will be derived from the increased ease and speed of transport, the re-development around Ealing Broadway station will also play a part in value uplifts.

Other environmental impacts cannot be ignored. In the 2011 update to the **2010 Business Case for Crossrail**, which includes the wider economic benefits of the new rail service, there is reference to the potential impact the new service could have on road usage, with the extra capacity provided cutting the need for car journeys to Heathrow. Any reduction in traffic could have a positive effect on property around these West London stations.

Once Crossrail has fully opened in late 2019, some journey times will be dramatically reduced compared to today, as shown in **figure 4**. As such, larger areas of the capital will be effectively

'opened up' to those living around Acton, Ealing Broadway and West Ealing hoping to travel further across the Capital for work. Our commuter map on **page 6** shows how this works in practice.

Those living around Ealing Broadway can already travel quite far during a 45 minute commute by public transport during morning rush hour, given that Ealing Broadway is already a junction station for the tube, as well as a mainland train station. However, even here, Crossrail will make a significant impact. Once it has fully opened in 2019, commuters will be able to access a wider area within 45 minutes, with whole areas opened up – especially in East London, given the direct journeys possible to Stratford, Canary Wharf and further afield. Alternatively, workers will simply find their commute truncated, in some cases leaving them hours of extra leisure time every week.

The ease of access to Heathrow Airport is already a factor benefitting those living in the area thanks to the mainline train through

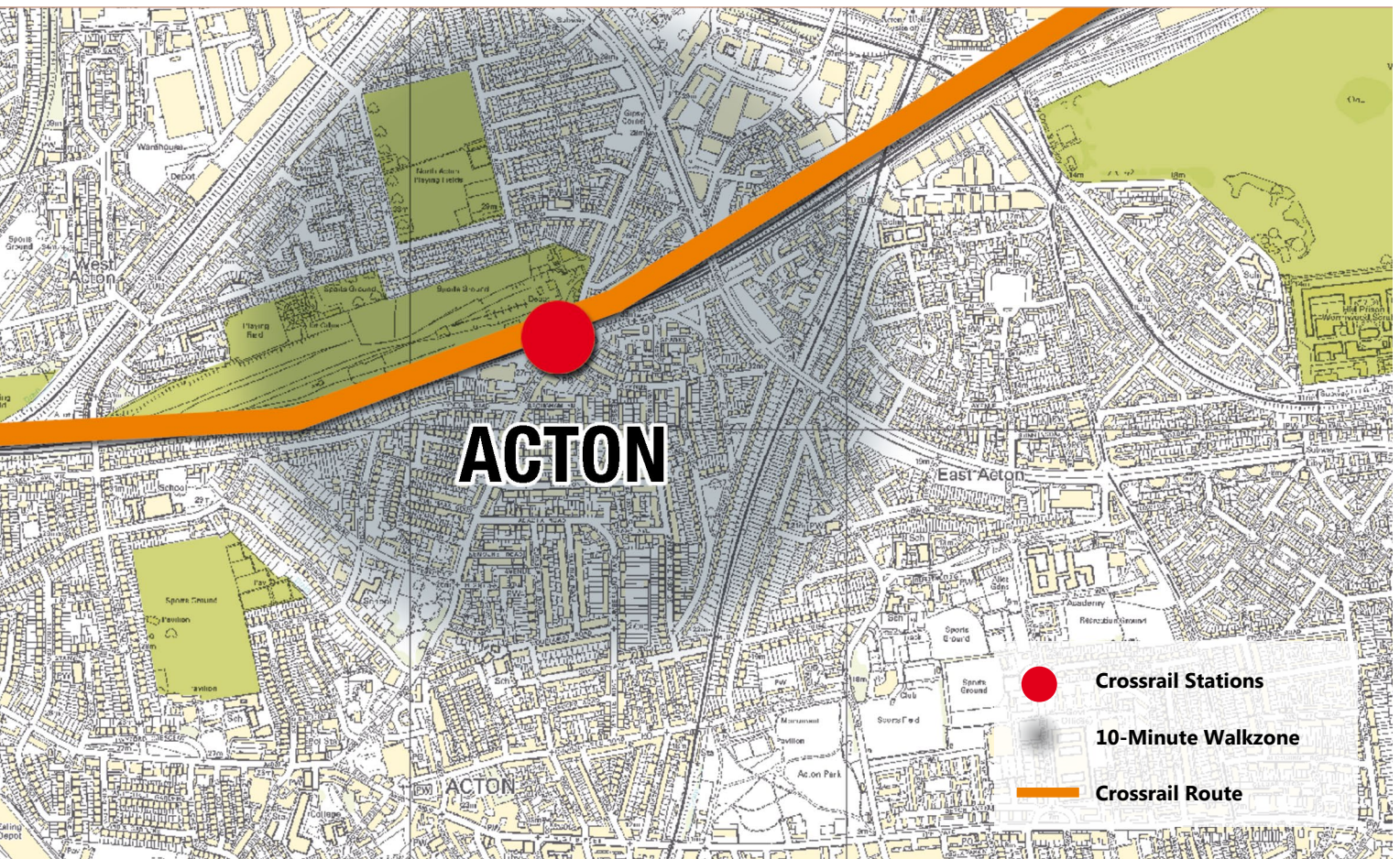
all three stations which goes to Heathrow in around 25 minutes from Ealing Broadway. Once Crossrail opens, it is expected that this journey time will become shorter, and the journeys more frequent, an additional benefit to those living near the stations.

In this report, we focus on the uplift expected in the run up to these stations being linked-up with Paddington and the central and eastern routes to Abbey Wood in December 2018.

# 45%

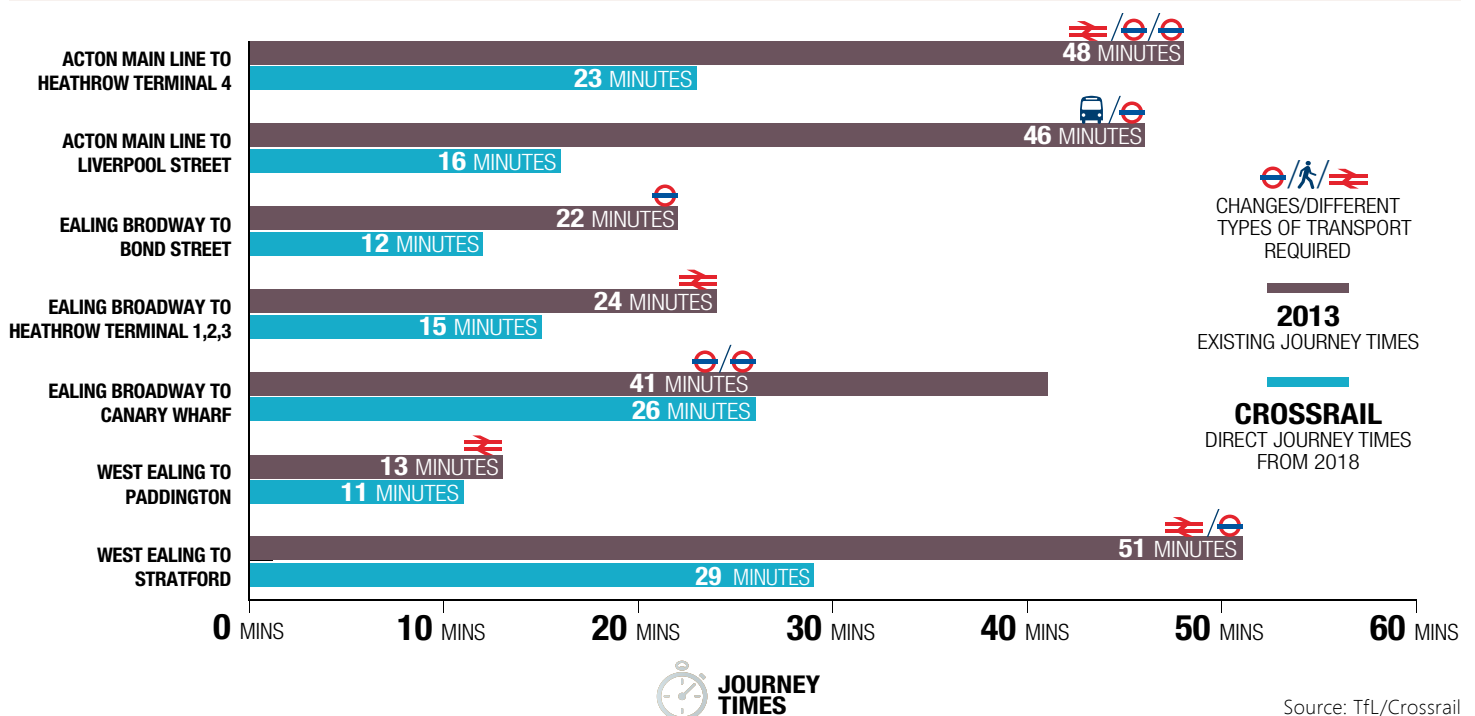
*Reduction in travel time from Ealing Broadway to Bond Street when Crossrail opens.*





Source: Knight Frank Residential Research

How journey times will be cut when Crossrail opens [Figure 4](#)



Source: TfL/Crossrail

# STATIONS

## Acton Main Line

Prices within a 10 minute walk of Acton station have outperformed prices in the wider local authority of Ealing.

We have measured prices to July 2013, given that it takes several months for all sales to be registered with the Land Registry. Prices in Ealing have risen by around 13% between Crossrail being granted Royal Assent in July 2008 and July this year. In contrast, average prices of houses within a 10 minute walk of Acton main line station have risen by a further 48%.

While the pace of growth is higher, the actual average sale price of property around the station is still 2% lower than average prices across the borough. We note that prices around the station will necessarily be affected by the type of housing stock available, and prices may have been augmented by new high-end developments coming to the market.

Residential development activity around the station continues to pick up, with five separate schemes in the planning pipeline or under construction within 1,500 metres of the station. The schemes already under construction are set to deliver 283 private homes.

£2.2bn

Current value of housing stock within 10-minute walkzone

## Ealing Broadway

Ealing Broadway is already well connected, with Central and District line tube services from the station. But the ease and speed of travel from this station will improve markedly from 2019.

For example, commuters from Ealing Broadway hoping to get into central London will be just four stops away from Bond Street, as opposed to the current 11-stop trip on the Central line. Likewise, travellers will be able to hop on a train straight to Heathrow more frequently, rather than taking the overland train, or taking the underground and changing onto the Piccadilly line, as is the case at the moment.

The station is set to undergo a transformation, with the addition of a pedestrianized zone outside the entrance to make access easier. This is expected to form part of a wider development project in and around the station. New residential development could provide an additional boost to property prices as high-specification units come to the market.

Average prices around the station have outperformed those in the wider local authority by nearly 10% between July 2008 and July 2013.

£2.7bn

Current value of housing stock within 10-minute walkzone

## West Ealing

The station at West Ealing will be re-developed to coincide with the opening of Crossrail. The station currently sits on the Great Western mainline train service from Paddington to Bristol Temple Meads.

Prices of homes in and around the station have outperformed those in the wider local authority by 12% since Crossrail received Royal Assent in July 2008, and in July this year. In addition, the average sales price of homes in this area edged ahead of those in Ealing, selling for an average of 5% more than those in the wider local authority.

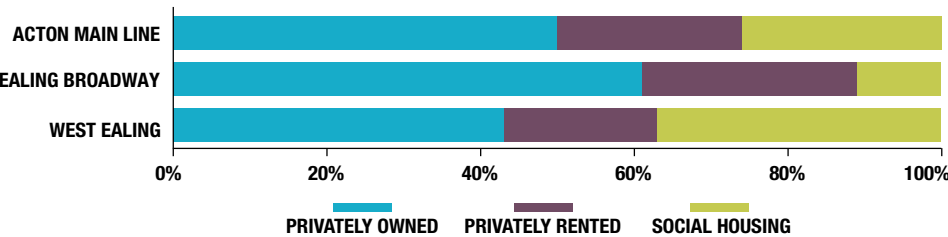
There is set to be a step up in the delivery of new homes in the areas around the new Crossrail stations at Ealing Broadway and West Ealing, with 590 new private homes currently under construction, and a further 438 with planning permission.

The opportunities to travel across London, especially to the City and Canary Wharf in the east, will be dramatically improved once Crossrail opens. The journey time now takes around an hour, and includes taking two different trains. Once Crossrail opens, the journey time will be cut by around a half to a direct journey taking 28 minutes.

£3.3bn

Current value of housing stock within 10-minute walkzone

Housing stock within 10-minute walkzones **Figure 5**



Source: Knight Frank Residential Research/DCLG

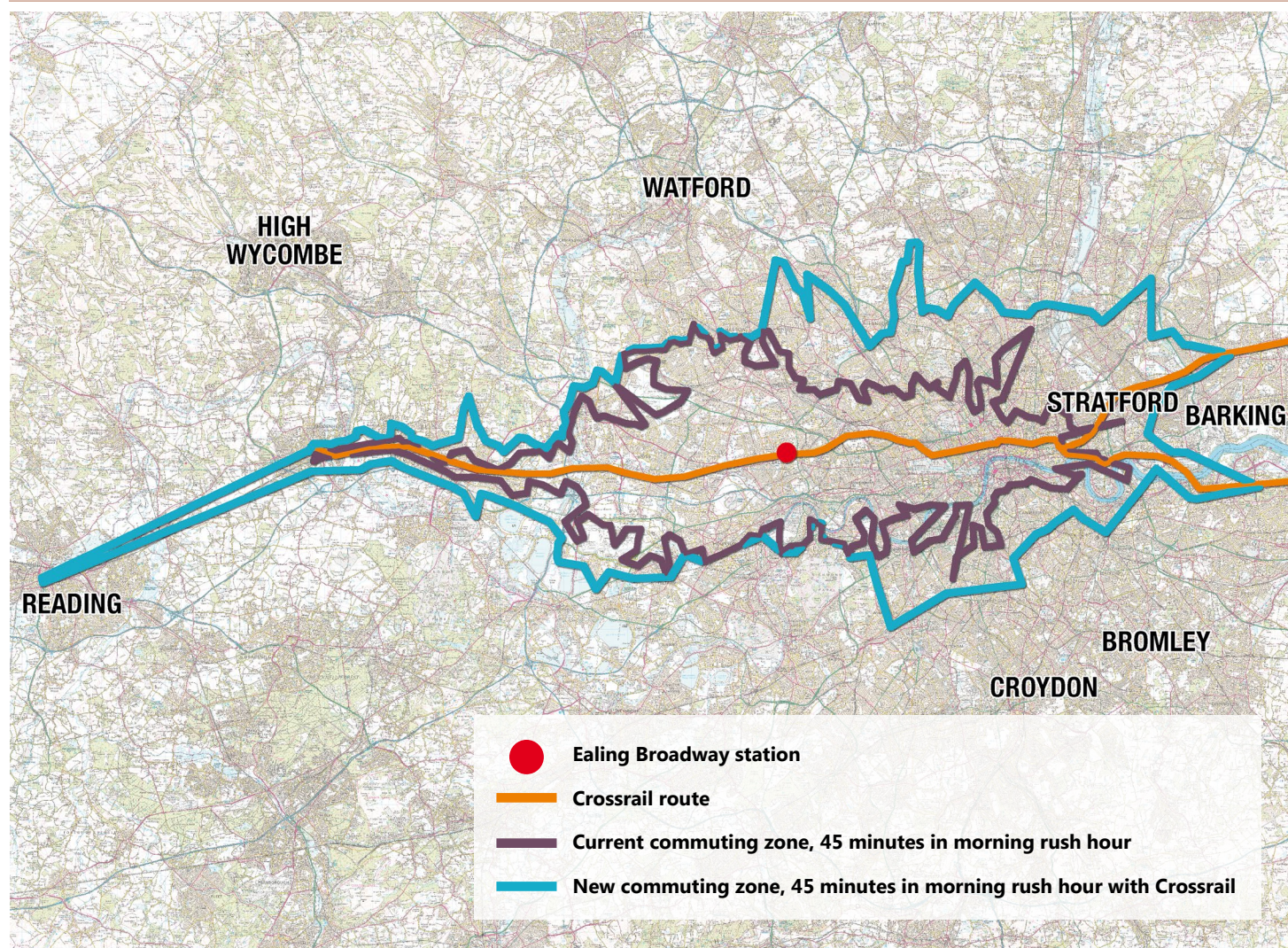
Services once Crossrail has opened **Figure 6**

	PEAK		OFF PEAK	
	Crossrail	Other Services	Crossrail	Other Services
Acton Main Line	4	4 Greenford	4	2 Greenford
Ealing Broadway	10	2	6	2
West Ealing	4	–	4	–

Source: TfL/Crossrail



## How Crossrail will expand the 'commuter zone' from Ealing Broadway Figure 7



Source: Knight Frank Residential Research

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