

House prices near Crossrail 'to rise by 40pc'

Prices of properties near central London stations have already risen by more than 30pc since Crossrail was announced, according to a new study.



Property prices in and around Canary Wharf as expected to fare well Photo: BBC / LION TV

By Andrew Oxlade

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Property prices within a 10-minute walk of central London Crossrail stations have risen by more than 30 per cent since the project was announced in 2008.

The growth in values was 8 per cent greater than wider improvements for central London, according to a study by estate agent Knight Frank.

It now forecasts prices will increase by 40 per cent over the next five years, rising at an additional 1.2 per cent a year above wider rises in prime areas of the capital.

Streets in Farringdon and Tottenham Court Road should see the largest increases, said the property consultants, with a rise of 43 per cent by 2018.

The report found 7,929 private new homes had planning permission, were under construction or recently completed in the central Crossrail "walkzones".

The project, which is expected to cost £14.8bn, is designed to ease congestion on crowded west to

east journeys across the capital. Other stations on the route include Whitechapel in the East End, Paddington in west London and Bond Street in the Oxford Street shopping district.

It will run from Maidenhead in Berkshire and Heathrow in the west through to Shenfield, near Brentwood in Essex and Abbey Wood, near Woolwich in south-east London.

A second, much smaller project - Thameslink - aims to tackle north to south overcrowding (see below).

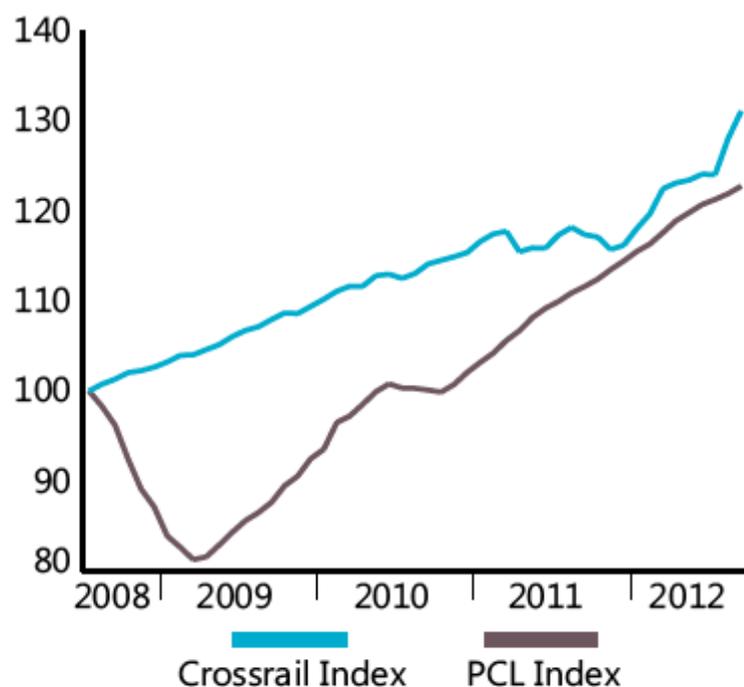
The report said: "In the coming years, the drivers pushing prices will vary from station to station. For example, Farringdon is set to become a major transport hub as it will be the junction for Crossrail and Thameslink, the train service running from Bedford to Brighton, which is also undergoing major upgrades and is set to be completed in 2018.

"At Tottenham Court Road station, the impact of regeneration around the new station is expected to have a big impact."

The study focused on central London rather than the impact the project would have on properties in Surrey, Berkshire or Essex.

How prices compare: Crossrail Index vs prime central London (PCL) Index

2008-2012



Source: Knight Frank Residential Research
*1km for Canary Wharf

How Crossrail will be funded

Households will feel the benefit of scheme funded largely by taxes and local businesses.

The Department of Transport will contribute £4.7bn and London firms will pay £4.1bn, largely through higher business rates.

The Mayor of London, through Transport for London (TfL) and the Greater London Authority (GLA), will contribute £7.1bn.

Other contributors include the City of London Corporation (£200m), Heathrow airport operator BAA (£230m) and Canary Wharf Group (£150m).



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