Abstract: Transport-related social exclusion refers to the degree to which an individual is limited by transport in their access to the services and facilities to engage with their community. This research investigates the relationship between exclusion and the level of accessibility to services provided by locality and transport.

The methodology applied to estimate implicit household monetary valuations on some key exclusion indicators is Hedonic Pricing starting with a-spatial (global) specifications and continuing with increasingly more complex spatial structures. Explanatory variables include three categories of characteristics: dwelling features, locality, and transport accessibility to various urban services.

The value of access to these urban facilities, observed in the market price of the house, is estimated for two case studies: 1) Suburbs of Perth with low socio-economic status; 2) Liverpool-Parramatta corridor in Sydney. Depending on the model structure, the monetary evaluations differ. The models accounting for spatial effects provide more robust estimates, however their interpretation and prediction are not straightforward.

Current results in Perth reveal a 6-8% premium for houses conveniently located near local shops, schools, railway station and to the CBD, a 20-25% premium for the quality of the neighbourhood, the remaining being embedded in the dwelling features. For Sydney, house prices appear to be much more responsive to number of bedrooms and bathrooms, parking, socio-demographics (62%), and then access to highway, shops, and employment.

Research Seminar
Using Hedonic Pricing to Capture Transport Exclusion in Housing Prices

Date: Friday 29 August 2014
Time: 12:00-1:00pm followed by Sandwich Reception
Venue: BUSN 142 Sir Rod Eddington Case Study Room
RSVP: Siew.Wade@uwa.edu.au by 26/08/2014
For more information: Gillian.Yeo@uwa.edu.au on 6488 1875