

The value of living in proximity to a forest, a lake and the sea - A large scale hedonic house price valuation

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The implicit price for living in proximity to a forest, a lake, and the sea was estimated in hedonic house price models across 48 separate housing markets that cover all Denmark. The results shows that households are willing to pay a considerable price premium for living in proximity to a forest, a lake, and the sea. The hedonic models are used to calculate the capitalized value of living in proximity to a forest, a lake, and the sea. In this paper I argue that a capitalized value of a housing characteristic can also be interpreted as a household individual preference parameter.