Abstract

This Bachelor’s thesis analyzes the relationship between the apartment prices and proximity of the metro stations in Prague. Using the apartment offer prices and apartment characteristics from the real estate agencies, empirical analysis is conducted to examine the metro closeness effect in the case of whole Prague and also different parts of the city. Moreover, the real transaction data are used to study the possible difference between the impacts on the real transaction prices and the offer prices. The results show a statistically significant positive impact of metro closeness on apartment value in the case of a Prague as a whole with 14 967 CZK apartment price decrease when moving additional 100 meters away from the station. In another approach we compare the price differences of apartments located in 250 meters wide zones from their closest metro station. The results show a value premium of 563 851 CZK and 500 691 CZK for the apartments located in the 250-500m and 500-750m zones respectively compared to the ones located more than 1 kilometer away. In the case of different parts of Prague, many different results are obtained. However, majority of them show a positive price impact of metro closeness in Prague.

Keywords

apartment prices, public transportation, metro distance, offer prices, transaction prices, Prague

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