

# Love Thy Neighbour?

## A Study on the Impact of Mosques on Housing Prices in London

### Introduction

**Do housing prices increase with distance to the nearest mosque?**

Ordinary Least Squares regression model:

$\alpha$

$\epsilon$

### Methodology

#### Structural variables

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#### Spatial variables

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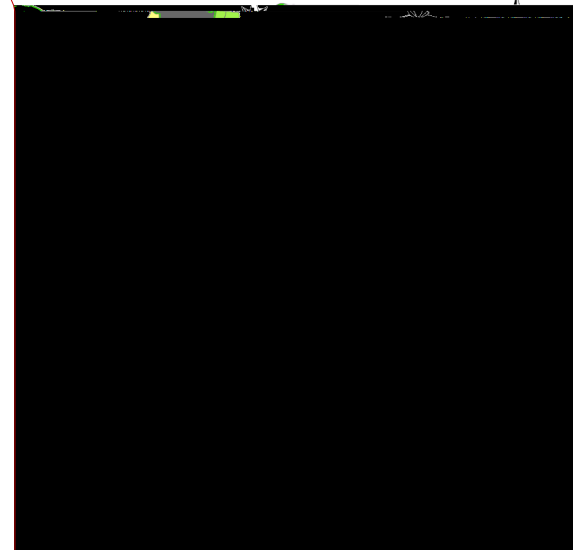


Figure 1: Spatial distribution of mosques against housing prices

### Findings

- An increase in distance to the nearest mosque by 1% of the mean distance increases housing prices by 0.04%, statistically significant at all conventional levels.
- The distance to mosque variable explains 0.56% of the variance in housing prices

### Caveats & Implications

- Endogeneity: the direction of causality in the relationship between mosques and housing prices cannot be fully determined from this model
- However, there is clear indication of the clustering of small to medium capacity mosques in northeast London, where property prices are lower
- Urban planning policies should take into account how inter-community dynamics may affect housing prices, and to a greater extent, inequality across neighbourhoods