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Enhanced Property Values

- The proximate principle states that the market values of properties located near a park, trail, or greenway are frequently higher than those of comparable properties located elsewhere.
- Increase in property values generally results in increased property tax revenues.
- The potential increase in property tax revenue alone can recover the initial cost of acquisition in a few years.



Enhanced Property Values: Summary of 40 national studies

- There is a positive value to preserving most types of open space land uses but the values vary depending on size of the area, how close the area is to residences, and the type of open space.
- The magnitude of the impact has been shown to be up to 16% of the average home price or 35% of the lot price.



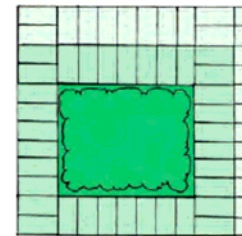
Source: *The Value of Open Space: Evidence From Studies of Nonmarket Benefits*, by Resources for the Future.

Enhanced Property Values: Case Study

Washington County, Minnesota
(2007):

- Homes are worth on average \$16,750 more when they are near open space.
- Increasing countywide property valuation by \$148 million.
- Generating additional tax revenues of \$1.56 million each year.

The Economic Impact of Proximity
to Open Space on Single-Family Home Values
in Washington County, Minnesota



A report on the findings
of a study commissioned by
Embrace Open Space
May 2007

Source: *The Economic Impact of Proximity to Open Space on Single-Family Home Values in Washington County, Minnesota* by Embrace Open Space

Enhanced Property Values: Case Study

The Community Preservation Act, Massachusetts (2007)

- Compared the property values in Acton and Chelmsford (have passed the CPA) with Andover and Tewksbury (have not passed the CPA).
- Passage of the CPA by the community has no impact on property values (i.e. passing the CPA does not increase or decrease overall property values in the short-term).
- Preservation has a positive effect on property values.
 - For example, preservation of a 10 acre plot of open space being considered for commercial/industrial development would increase the average home's value by \$500 to \$1,000.