

Measuring Trails Benefits: Property Value

How are trails related to property value?

Trails can be associated with higher property value, especially when a trail is designed to provide neighborhood access and maintain residents' privacy. Trails, like good schools or low crime, create an amenity that commands a higher price for nearby homes. Trails are valued by those who live nearby as places to recreate, convenient opportunities for physical activity and improving health, and safe corridors for walking or cycling to work or school.

Price is not property owners' only concern. Legal, well-marked access eliminates problems with trail users trespassing. Research also shows that those who opposed a trail prior to construction generally find a trail to be a much better neighbor than they anticipated.

When trails increase property value, local governments receive more property tax revenue. Depending on the trail, this revenue boost can help to partially offset the trail's construction and maintenance costs.

Additional details on each of these topics, as well as other relevant research, are available at <http://headwaterseconomics.org/trail>.

Select Research Highlights

- In [San Antonio, Texas](#), neighborhood trails were associated with a two percent house price premium. Trails that were surrounded by greenbelts were associated with a five percent house price premium.¹
- In [southwestern Ohio](#), the Little Miami Scenic Trail is associated with higher property value in urban, suburban, and rural settings. Up to a mile away from the trail, for every foot closer to the trail, property value increase by about \$7. A home a half mile from the trail would sell for approximately nine percent less than a home adjacent to the trail.²
- In suburban [New Castle County, Delaware](#), homes within 50 meters of bike paths commanded a four percent price premium.³
- In rural [Methow Valley, Washington](#), homes within one-quarter mile of trails benefited from a 10 percent price premium.⁴
- Along a popular trail in [Austin, Texas](#), the price premium ranged from 6 to 20 percent, depending on whether the neighborhood had views of the greenbelt surrounding the trail and whether it had direct neighborhood access to the trail.⁵ This price premium translated to roughly \$59,000 per year in [additional tax revenue](#) or five percent of the annual cost of trail construction and maintenance.⁶



Photo: Future West

How to use this information:

This research is of interest to property owners adjacent to a proposed trail, residential developers who are considering incorporating trails in new subdivisions, and local government staff who want to understand trails' fiscal impacts.

This summary is one of five handouts describing the state of research related to the benefits of trails. The four other summaries address:

- Public health
- Business impacts
- Quality of life
- Overall benefits

This series offers a succinct review of common benefits identified in the 100+ studies in Headwaters Economics' free, online, searchable [Trails Benefits Library](#).

- In [Indianapolis](#), researchers found that a high-profile, destination trail was associated with an 11 percent price premium for homes within a half mile of the trail. Other trails had no price premium.⁷
- In [Seattle, Washington](#)⁸ and [upstate New York](#),⁹ adjacent property owners were concerned about trail-related crime before the trail was built. Researchers found no change in crime rate after the trail was built.

Methods

To measure the price premium attributable to proximity to trails, researchers use statistical models that compare the price of homes identical in all ways (e.g., size, age, number of bedrooms) except their distance from a trail. When this price difference is calculated over thousands of homes, researchers are able to estimate the average price premium for homes near trails.

Some research uses surveys to ask homeowners whether they believe the trail increases their property value and by how much. Due to the subjective and likely biased nature of these questions, conclusions from these surveys are unreliable. Careful statistical modeling provides more objective estimates.

Original studies and additional details on methods can be found in the Trails Benefits Library at <http://headwaterseconomics.org/trail>.

Contact

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*Research shows
that homes near
trails often have
higher property
value, with a
price premium
ranging from five
to ten percent in
most studies.*

Footnotes

- 1 Asabere, P. and F. Huffman. 2009. "The relative impacts of trails and greenbelts on home price." *The Journal of Real Estate Finance and Economics* 38(4): 408-419.
- 2 Karadeniz, D. 2008. *The Impact of the Little Miami Scenic Trail on Single Family Residential Property Values* (Unpublished Master's Thesis). University of Cincinnati School of Planning.
- 3 Racca, D. and A. Dhanju. 2006. *Property Value/Desirability Effects of Bike Paths Adjacent to Residential Areas*. University of Delaware, Delaware Center for Transportation Working Paper 188.
- 4 Resource Dimensions. 2005. *Economic Impacts of MVSTA Trails and Land Resources in the Methow Valley*. Methow Valley Sport Trails Association.
- 5 Nicholls, S., and J. Crompton. 2005. "The Impact of Greenways on Property Values: Evidence from Austin, Texas." *Journal of Leisure Research* 37(3): 321-341.
- 6 Crompton, J., and S. Nicholls. 2006. "An Assessment of Tax Revenues Generated by Homes Proximate to a Greenway." *Journal of Park and Recreation Administration* 24(3): 103-108.
- 7 Lindsey, G., Man, J., Payton, S., and K. Dickson. 2004. "Property values, recreation values, and urban greenways." *Journal of Park and Recreation Administration*, 22 (3): 69-90.
- 8 Zarker, G., J. Bourey, B. Puncochar, P. Lagerwey. 1987. *Evaluation of the Burke-Gilman Trail's Effect on Property Values and Crime*. Seattle Engineering Department Office of Planning.
- 9 Feeney, S. 1997. *The Mohawk-Hudson Bike-Hike Trail & Its Impact on Adjoining Residential Properties*. Schenectady County Department of Planning. Schenectady, NY.