

The assumption that property values will decline with the location of affordable housing is based on the idea that one facility can affect a whole neighborhood, and that such facilities will be conspicuous, unattractive, poorly maintained and poorly managed. The studies cited on the following sample bibliography as well as others show that these assumptions are incorrect.

A Sample of the Research of Property Value Effects

1. Habitat for Humanity South Ranch 2 Community Impact Study  
(Coopers & Lybrand, 1994)

Study of potential impact of a proposed 196 owner-built and occupied home development on a previously unoccupied area of Phoenix concluded that the development would benefit the overall community by bringing in community-committed, stable, working families, drawing commercial development to a new area and spatially linking existing developed areas of Phoenix.

2. Relations between Affordable Housing Development and Property Values  
(Institute for Urban and Regional Development, University of California, Berkeley, Working Paper 599, 1993)

Determined that proximity to affordable housing is not a significant factor in determining sales prices, and in one instance it may have had a positive impact on sales prices.

3. Measuring the Effects of Affordable Housing on Residential Property Values  
(San Francisco State University, unpublished master's thesis, Smith, B., 1992)

Analysis found that among thirteen "proximity zones" the highest increases in value and the lowest turnover were in areas closest to an affordable housing facility.

4. The Effect of Group Homes for the Mentally Ill on Residential Property Values  
(*Hospital and Community Psychiatry*, Boydell, Katherine M., M.H.Sc., John N. Trainor, MSW, Anna M. Pierri, 1989)

Determined that property values in a suburban area with a group home increased more than a similar area without such a facility.

5. Texas Department of Mental Health and Mental Retardation Questions and Answers  
(Johnson and Olson Associates of Austin, 1988.)

This summary finds no evidence of property values declining because of the location of a group home for the mentally retarded, and finds that there was less residential turnover near the group home than in other similar areas.

6. The Effects of Subsidized and Affordable Housing on Property Values: A Survey of Research  
(Department of Housing and Community Development, State of California, 1988.)

Out of 15 published papers on subsidized housing, group homes for the disabled, and manufactured housing, 14 concluded that this housing had no significant negative effects on the values of neighboring properties. Some reported positive property value effects.

7. The Impact of Group Homes on Residential Property Values  
(The Maryland-National Capital Park and Planning Commission, Prince George's County Planning Department, 1988)

Study found that most areas around group homes appreciated more than other similar areas in the country. Determined that there is no correlation positive or negative between location of group homes and neighboring property values.

8. Impact Study for Sacramento Housing and Redevelopment Agency  
(Spear Street Advisors, Inc., San Francisco, Calif., 1988)

Determined that proximity to affordable housing was not a statistically significant factor affecting property values.

9. Impacts on the Surrounding Neighborhood of Group Homes for Persons with Developmental Disabilities  
(Illinois Planning Council on Developmental Disabilities, Daniel Lauber, Springfield, Ill., 1986)

Research ascertained that the location of group homes had no effect on property values, mean sales price, or residential turnover rates.

