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How Much Does ‘Walkability’ Affect Home Prices?

The sale price of a home rose for every additional point on a scale of pedestrian friendliness, but not as much at the luxury end, a new study shows



PHOTO: LAUREN TAMAKI

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Stroll-friendly communities [may be the latest housing draw](#), but in the luxury market, the “walkability premium” is relatively small.

Redfin, a Seattle-based real-estate brokerage, [measured the effect of walkability](#) on home values by looking at increases in [Walk Score](#), a 0-to-100 scale that tallies things such as population density and nearby restaurants, schools and stores. A score above 90 is considered a “walker’s paradise” where almost all errands can be done on foot.

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The median sale price of a home in the markets surveyed rose 0.9%, or \$3,250, for a one-point gain in Walk Score. For luxury homes—defined as the priciest 5%—the premium was just 0.55%, or \$6,800, the Redfin data show. The numbers were based on sales from January 2014 to April 2016 in 14 markets where Redfin has comprehensive data. (Other factors could affect price.)

The premium is smaller at the luxury end because in areas like the Midwest, Texas and parts of California, buyers covet square footage and acreage, said Nela Richardson, Redfin’s chief economist. “Luxury doesn’t mean downtown.”

In Atlanta, a one-point increase in Walk Score had the biggest payoff, adding 1.69% to home prices overall and 0.94% to luxury-home prices. While Atlanta has gotten more pedestrian-friendly in recent years, many neighborhoods still lack walkable streets and retail options.

Meredith Leapley paid \$1.1 million in June for a two-bedroom at 1065 Midtown, a 52-unit condo-hotel in Atlanta near Piedmont Park and public transit.

The Walkability Premium in 14 Cities

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| Metro Area | Median Sale Price | Premium (\$) | Premium (%) | Luxury Market (Top 5%) | Premium (\$) | Premium (%) |
|---------------|-------------------|--------------|-------------|------------------------|--------------|-------------|
| Atlanta | \$ 168,000 | \$2,838 | 1.69% | \$580,000 | \$5,424 | 0.94% |
| Baltimore | \$ 229,900 | \$652 | 0.28% | \$631,690 | \$1,757 | 0.28% |
| Boston | \$ 325,000 | \$3,927 | 1.21% | \$985,000 | \$7,385 | 0.75% |
| Chicago | \$ 220,000 | \$2,437 | 1.11% | \$680,000 | \$5,581 | 0.82% |
| Denver | \$ 285,000 | \$2,410 | 0.85% | \$685,000 | \$5,230 | 0.76% |
| Los Angeles | \$ 475,000 | \$3,948 | 0.83% | \$1,800,000 | \$8,225 | 0.46% |
| Oakland | \$ 523,000 | \$1,735 | 0.33% | \$1,365,000 | \$4,384 | 0.32% |
| Orange County | \$ 580,000 | \$114 | 0.02% | \$1,728,000 | \$ (451) | -0.03% |
| Phoenix | \$ 204,900 | \$217 | 0.11% | \$585,000 | \$ 277 | 0.05% |
| Portland | \$ 275,000 | \$1,210 | 0.44% | \$630,000 | \$1,944 | 0.31% |

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Orange County, Calif., was the only market where walkability hurt high-end home values: The median sale price of a luxury home fell 0.03% for an extra Walk Score point. Across the market, the premium was 0.02%.

Many luxury buyers in the area favor exclusivity and privacy more than proximity to services, said Vickie Melin, an Irvine, Calif.-based Redfin agent. For some, neighboring stores bring unwanted noise, and ample parking makes it easy to run errands by car, she said.

Ms. Melin is listing a 12,000-square-foot home in Villa Park, Calif., for \$3.788 million. The gated estate sits on two-thirds of an acre on a hillside. The Walk Score: 0.

