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Residential and office properties show highest gains

New study shows DART rail stations add value to nearby properties

DART rail stations enhanced values of office and residential properties reviewed in a new University of North Texas study. Office properties near suburban DART rail stations increased value 53% more than comparable properties not served by rail, and values of residential properties rose 39% more than a group of control properties not served by rail.

Prepared for DART by Drs. Bernard Weinstein and Terry Clower of UNT's [Center for Economic Development and Research](#), the study compared the values of 3,924 properties located within a quarter-mile of 23 DART stations against 4,898 comparable properties not near a station. The study omitted downtown Dallas properties because tax increment financing funds in the area prevent accurate comparisons.

"The findings of the data analysis confirmed our expectation of higher market values for residential and office properties located in close proximity to a light rail station," the study noted, concluding that "DART rail is an amenity-enhancing service most keenly affecting the market values of properties where people live and where there are comparatively high concentrations of non-industrial jobs - i.e., office buildings."

DART President/Executive Director Gary Thomas said the study is "another demonstration of the value of our region's investment in transit. Rail does more than just move people from point to point. It stimulates new jobs, opens new destinations, creates economic opportunity and in all of those things raises the quality of life in the region."

Between 1997 and 2001, the mean value of 47 office properties near DART increased 24.7%, compared with an increase of 11.5% for 121 properties not near the stations, giving the DART office buildings a 53% advantage. The mean value of 3,262 residential properties near DART increased 32.1% versus an increase of 19.5% in the mean value of 4,393 properties not near the stations, for a 39% advantage, the study found.

The study also found that business and community leaders are ready to get their cities on the train. Researchers interviewed leaders in 15 communities, some within the DART Service Area and some near it, about their hopes and plans related to development around rail stations. The study found that businesses, as well as public officials, are committed to transit-oriented development, and most municipalities have hired outside consultants to help prepare development plans around their stations.

"Dallas-area business leaders, planners and elected officials are committed to public transportation, both for mobility and developmental goals," the study reported. "Host communities view the existing and soon-to-open DART Rail stations as tremendous assets and ... non-DART cities want to be an integral part of the region's public transit future."

In 1999 UNT also conducted a survey of DART-related properties for the 1994 to 1998 period. Results showed properties near DART had 25% higher values than properties not near stations, and

office and strip retail properties experienced higher occupancies and rental rates.

The lack of impact on retail properties near DART stations reported in the follow-up study may simply reflect that retail growth was evenly dispersed across Dallas County during the boom years of the study period, researchers noted. "Still, retail properties within one-quarter mile of DART stations are quite competitive and should fare well in the future as the light rail expansion improves access to these venues," the study added.

[Click here](#) to view the study (PDF File*).

[Click here](#) to view DART economic development images.

**The Impact of DART Rail on North Texas Property Values
Changes in Median Property Valuations, 1997-2001**

	Control	DART
Office (Control N = 121, DART N = 47)		
1997	\$331,450	\$519,240
2001	\$369,460	\$647,730
Total Change	\$38,010	\$128,490
% Change	11.5%	24.7%
Residential (Control N = 4,393, DART N = 3,262)		
1997	\$37,560	\$35,605
2001	\$44,880	\$47,025
Total Change	\$7,320	\$11,420
% Change	19.5%	32.1%
Residential-vacant (Control N= 169, DART N= 400)		
1997	\$3,000	\$2,250
2001	\$3,000	\$2,500
Total Change	\$0	\$250
% Change	0.0%	11.1%
Retail (Control N = 155, DART N = 111)		
1997	\$230,000	\$243,000
2001	\$300,000	\$311,730
Total Change	\$70,000	\$68,730
% Change	30.4%	28.3%
Industrial (Control N = 158, DART N = 104)		
1997	\$234,900	\$221,180
2001	\$285,405	\$250,000
Total Change	\$50,505	\$28,820

% Change	21.5%	13.0%
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Source: Dallas County Central Appraisal District, authors' calculations