

For Immediate Release

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## **New Study On The Long Term Impacts of Supportive Housing Finds No Negative Effects On Surrounding Property Values**

*The Furman Center Examined the Effect That New Supportive Housing Developments Have Had on Neighboring Property Values and Finds That the Value of Properties Closest to the Supportive Housing Do Not Drop When the Development Opens, And See Steady Increases In The Years That Follow. The Study Evaluated The Impacts of 123 Developments Which Opened Between 1985 and 2003 Across the City.*

Today, NYU's Furman Center for Real Estate and Urban Policy released the first large-scale study of the property value impacts of supportive housing, evaluating the impacts that 123 developments across the city's five boroughs have had over an 18 year period. These new findings refute frequently asserted fears that supportive housing developments will depress the value of neighboring properties over time. The findings show that the value of properties within 500 feet of supportive housing do not drop when a new development opens and show steady growth relative to other properties in the neighborhood in the years after the supportive housing opens. Properties somewhat further away from the supportive housing (between 500 and 1,000 feet away) show a decline in value when the supportive housing first opens, but their prices then increase steadily relative to other properties in the neighborhood.

Supportive housing is a type of affordable housing that provides on-site services to people who may need support to live independently (including formerly homeless individuals and families, people with HIV and AIDS or physical disabilities, young people aging out of foster care, ex-offenders, people with mental illness or individuals with a history of substance abuse). The state and city require some form of public notification for all proposed supportive housing developments; this notification often results in intense opposition at the neighborhood level.

"While studies have shown that supportive housing plays a critical role in helping to address the problem of homelessness, before our study, little was known about the impact that supportive housing has on the neighborhood," commented Vicki Been, director of the Furman Center. "Neighbors often resist proposed supportive housing developments in their community, expressing fears that the housing will have a negative impact on the neighborhood, but the Furman Center thought it was important to look at this question empirically to see what the real impacts have been over time."

Using sales data provided by the NYC Department of Finance, the Furman Center compared the prices of properties within 500 feet and 1,000 feet rings around a supportive housing development to similar properties in the same census tract but more than 1,000 feet away, before and after the supportive housing opens. By controlling for differences between the prices of the properties near supportive housing sites and those further away before the new development is completed, the study isolates the real impact of the supportive housing on the neighborhood.

"It's important to keep in mind that while our study looks at neighborhood impacts, the key goal of these developments is to provide support and housing to vulnerable populations and they should be evaluated based on their success doing just that" remarked Ingrid Gould Ellen, co-director of the Furman Center. "However, our findings do counter fears that supportive housing will lead to sustained neighborhood decline and suggest that the city, state, and providers of supportive housing have been doing a good job integrating supportive housing developments into the surrounding community."

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**About the Furman Center for Real Estate and Urban Policy**

The Furman Center for Real Estate and Urban Policy is a joint center of the New York University School of Law and the Robert F. Wagner Graduate School of Public Service at NYU. Since its founding in 1995, the Furman Center has become the leading academic research center in New York City devoted to the public policy aspects of land use, real estate, and housing development. The Furman Center is dedicated to providing objective academic and empirical research on the legal and public policy issues involving land use, real estate, housing and urban affairs in the United States, with a particular focus on New York City. More information on the Furman Center can be found at: <http://furmancenter.nyu.edu>.