

## CHAPTER TWO

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# PROPERTY VALUE TRENDS ASSESSMENT

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The Pinellas County Metropolitan Planning Organization (MPO) is increasingly encountering citizen concerns that extending the Pinellas County Trail would adversely impact property values within neighborhoods where trail extensions are planned. This chapter examines average home sale price trends along the trail to verify this assumption.

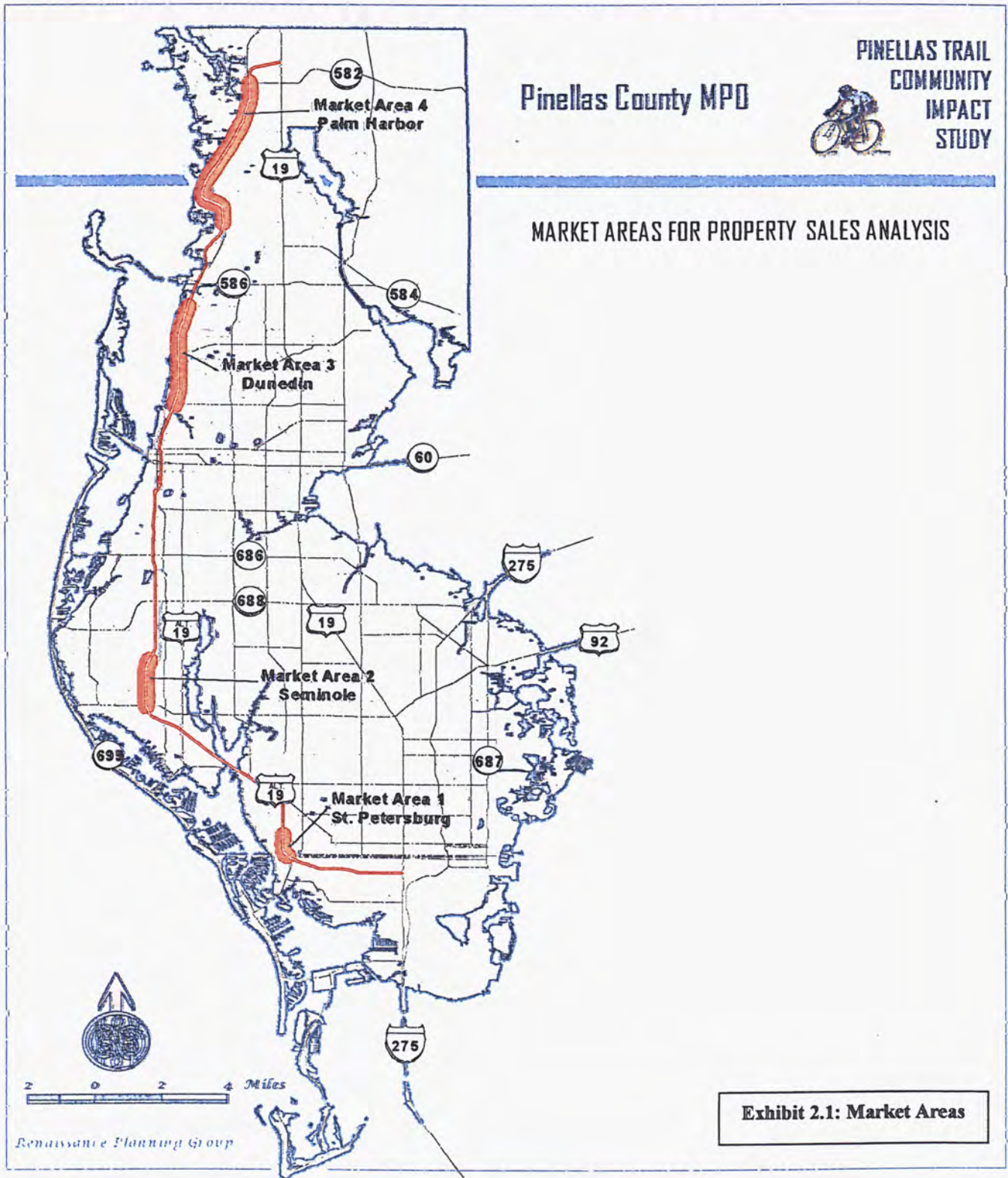
### A. Survey Methodology

Information from the Pinellas County Property Appraisers office was obtained for properties within one-quarter of a mile of the trail in the four market areas shown in *Exhibit 2.1: Market Areas*. Single-family home sale prices from this dataset for the years 1990, 1995, and 1998 were compared with overall countywide property values for the same three years to determine the effects of the trail.

Pinellas County single-family home sales data for the years 1985 through 1999 were downloaded from Win2Data2000, a secondary real estate information server that obtains its information from the Pinellas County public records. As a secondary source of data, the information collected from Win2Data2000 is not considered 100 percent accurate.

WinData2000 was used to identify properties within the market areas that are less than a quarter mile from the Pinellas Trail. This dataset was queried for single-family home sales. The sales records from each market area were labeled M1 (St. Petersburg), M2 (Seminole), M3 (Dunedin), and M4 (Palm Harbor). Each record was also tagged with a letter identifier (i.e. M1A or M3G). Because the Win2Data2000 dataset only includes the past two transactions for each property, a number of sales from 1985 may be excluded. Efforts were made to exclude mobile homes from the analysis.

Countywide housing sales data were collected from two independent sources: (1) the Pinellas County Housing Report produced by the Pinellas County Planning Department; and (2) University of Florida - Shimberg Housing Data produced under the direction of the Florida





Department of Community Affairs. Consistently collected and comparably aggregated existing single-family home sales data were only available for the years 1990, 1995, and 1998.

## B. Analysis of Pinellas County Home Values

Table 2.1 summarizes the median sale prices for 1990, 1995, and 1998 for each of the four market areas: (M1) St. Petersburg; (M2) Seminole; (M3) Dunedin; and (M4) Palm Harbor. Additionally, the median sale prices for single-family homes are aggregated into an "all segments" category. These values are compared to the average median sales prices for Pinellas County obtained from the *Pinellas County Housing Report* for the years 1990, 1995, and 1998. On the right side of Table 2.1 the annualized net increase (or decrease) in median sales prices is calculated for comparison purposes.

Table 2.1  
Existing Single Family Residence (SFR) Median Sale Price (1990-1998)

Existing SFR Median Sale Price (1990-1998) Pinellas Trail Homes Compared to Pinellas County Homes				Gross Change		Annual Change		
	1990	1995	1998	% (90-95)	%(95-98)	% (90-95)	%(95-98)	%(90-98)
Pinellas Trail - St. Petersburg Segment	\$67,250	\$65,000	\$87,500	-3.35%	34.62%	-0.67%	11.54%	3.76%
Pinellas Trail - Seminole Segment	\$75,750	\$81,000	\$97,500	6.93%	20.37%	1.39%	6.79%	3.59%
Pinellas Trail - Dunedin Segment	\$58,500	\$60,450	\$63,200	3.33%	4.55%	0.67%	1.52%	1.00%
Pinellas Trail - Palm Harbor Segment	\$65,000	\$68,000	\$97,900	4.62%	43.97%	0.92%	14.66%	6.33%
Average Sales for Four Pinellas Trail Segments	\$67,000	\$66,800	\$82,500	-0.30%	23.50%	-0.06%	7.83%	2.89%
Pinellas County: Existing Single Family Home Sale Prices Countywide	\$77,500	\$75,000	\$85,500	-3.23%	14.00%	-0.65%	4.67%	1.29%

Between 1990 and 1995, the gross change and the annual change in existing single-family home prices declined countywide (-3.23% and -0.65%) and in the St. Petersburg market area

(-3.35% and -0.67%) at nearly the same rate. When St. Petersburg market area home prices recovered, they escalated faster than the countywide averages.

Between 1990 and 1998, Dunedin is the only market area that showed a slower annual rate of increase in median sale prices (1%) than Pinellas County on the whole (1.29%). The largest 1990-1998 single-family home sale price increases occurred in the Palm Harbor market area, with an annual increase of 6.33 percent and gross increases of 4.62 percent and 43.97 percent for the '90-'95 and '95-'98 timeframes respectively. The most dramatic reversal of fortunes occurred in the St. Petersburg market area where the gross change in median sale prices declined 3.35 percent between '90-'95 and rose sharply between '95-'98. The St. Petersburg annual changes indicate a modest decline between 1990 and 1995 that was more than overcome by the rising home values occurring in 1995 through 1998. Annually, the median sale prices increased 2.89 percent for existing single-family homes for all four-market areas along the Pinellas Trail while countywide increases were 1.29 percent.

The average sale price trends for homes in the cities of St. Petersburg, Seminole, and Dunedin were compared with countywide and trail market area trends (*Table 2.2*). It should be noted that the Pinellas County Housing Report did not include median sale prices for individual cities in 1990 and that Palm Harbor figures are not available since it is unincorporated. Between 1995 and 1998 the average existing trail market area home sold for roughly three percent more than the average existing home in the three cities.



**Table 2.2**  
**Trail Segments Compared to Cities**

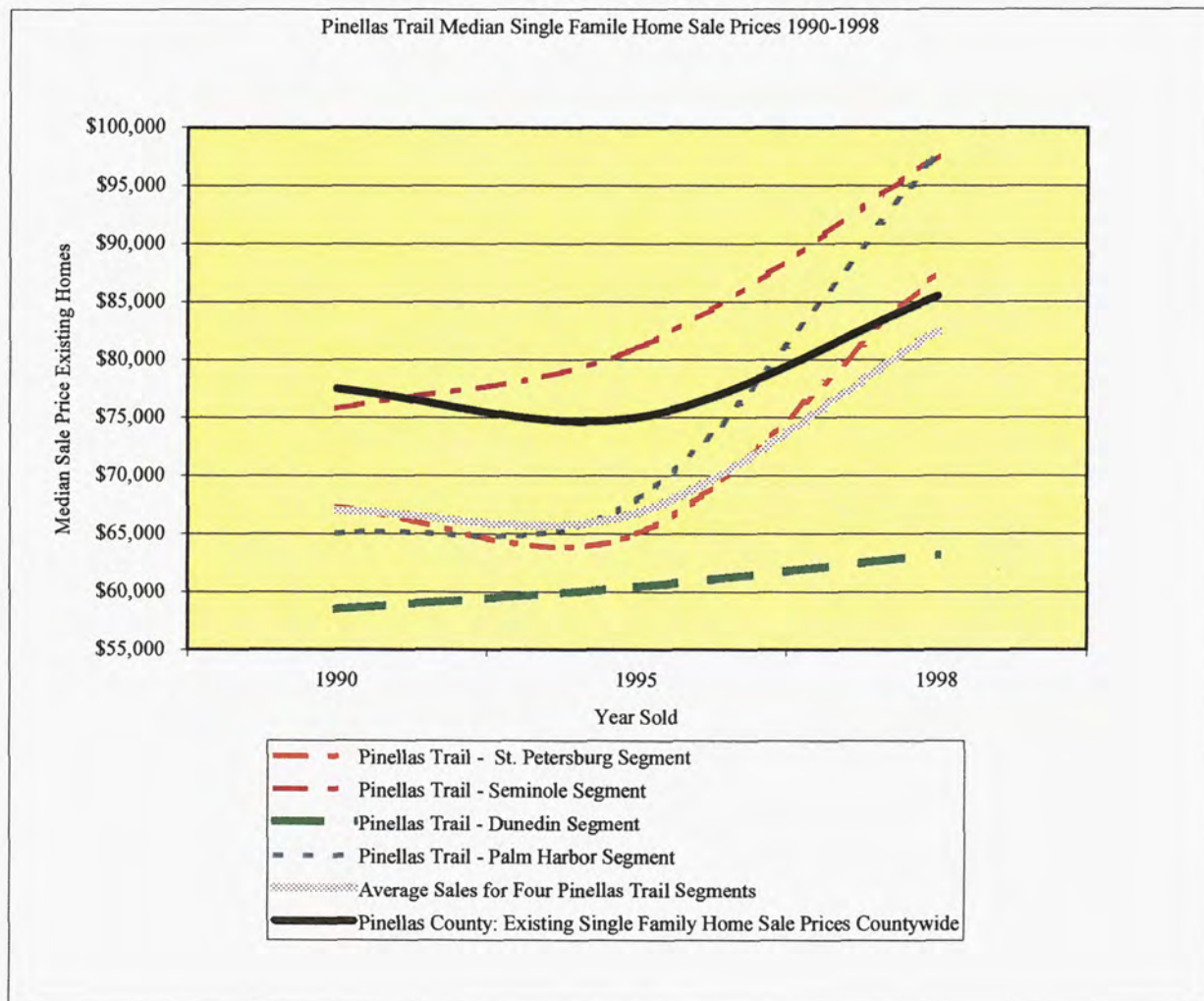
Pinellas County Housing Report Data for the Years 1990, 1995, and 1998: Median Sale Price data for existing single family units				Annual Change 1995-1998	
	1990	1995	1998	% (90-95)	% (95-98)
St. Petersburg	n/a	\$59,900	\$68,000		4.51%
Seminole	n/a	\$65,000	\$77,000		6.15%
Dunedin	n/a	\$77,000	\$86,000		3.90%
Palm Harbor	n/a	n/a	n/a		n/a
Countywide	\$77,500	\$75,000	\$85,500	-0.65%	4.67%
Unincorporated	n/a	\$90,000	\$105,000		5.56%

Pinellas County Trail Data (1990, 1995, and 1998) Median Sale Price data for existing single family units				Annual Change 1990-1998	
	1990	1995	1998	% (90-95)	% (95-98)
M1	\$67,250	\$65,000	\$87,500	-0.67%	11.54%
M2	\$75,750	\$81,000	\$97,500	1.39%	6.79%
M3	\$58,500	\$60,450	\$63,200	0.67%	1.52%
M4	\$65,000	\$68,000	\$97,900	0.92%	14.66%
All Segments	\$67,000	\$66,800	\$82,500	-0.06%	7.83%
Countywide	\$77,500	\$75,000	\$85,500	-0.65%	4.67%
Unincorporated	n/a	\$90,000	\$105,000	n/a	5.56%

Exhibit 2.2 presents the trends for median sale prices for each of the Pinellas Trail market areas studied and a composite trend line for all four segments in comparison to countywide sale prices. The Palm Harbor and St. Petersburg trend lines cross the countywide line between 1995 and 1998, indicating that trailside sale prices in those two communities are accelerating faster than countywide median sale prices. The Seminole market area trend line is increasing at a steeper slope (faster pace) than the county generally. Overall, the median sale prices for single-family homes adjacent to the trail are rising faster than the median sales price of homes throughout the county. These results clearly indicate that the trail does not negatively affect property values of adjacent homes, and suggests that the trail may help increase property values.

Exhibit 2.2



### C. Summary

The property value trends assessment concluded that property values follow local sales trends initially and then increase a few years later. As an example, St. Petersburg trailside and countywide home prices declined at the same rate between 1990 and 1995; however, St. Petersburg trailside home prices recovered quickly and have escalated faster than countywide or for any other trail segment by 1998. For all trail segments, the median sale prices adjacent to the trail are escalating faster than countywide and the rate of increase is most significant in St. Petersburg, Seminole, and Palm Harbor. The median price of trailside homes in St. Petersburg and Seminole is higher than respective citywide prices. These results clearly indicate



that the trail does not negatively impact property values of adjacent homes and suggest that the trail may help increase property values by roughly two percent to three percent annually.