

WALKABLE COMMUNITIES FOR REALTORS® OVERVIEW GUIDE

Walkable communities are a trend in real estate that REALTORS® need to be aware of, as the demand for walkable communities impacts real estate and their business.

"There is a game-changing shift underway in real estate," according to Christopher Leinberger, research professor of urban real estate at the George Washington University. Walkable urban places, or "WalkUPs," a term Leinberger coined, will drive tomorrow's real estate industry and the economy.

Home buyers rely on REALTORS®' knowledge of local markets and conditions to help them find a home in a neighborhood of choice. As the walkability trend continues, home buyers will look toward REALTORS® to know how walkable a community is and where are the most walkable neighborhoods in a community.

What is a Walkable Community?

A walkable community is one where residents can walk, bike, or take public transit (light rail, trolleys, and buses) to grocery stores, shops, schools, work, cafes, markets, playgrounds, and parks. Walkable communities have a mix of housing types and mixed-use buildings that combine residential, office, and retail. They can be high-rise urban neighborhoods, traditional downtowns and main streets, or suburban town centers. Most walkable communities share a core set of design elements:

- Public spaces: plenty of public, green, and open spaces—such as pocket parks, plazas, trails, and gardens—for the community to gather, socialize, and play.
- Amenities and destinations: a variety of places—shops, businesses, museums, entertainment venues—to visit, as well as art, culture, and events.
- Pedestrian design: buildings close to the street, retail on the bottom and residential above, active storefronts, parking lots to the back, sidewalks, and safe lighting.
- Complete streets and access to public transit: streets designed for all including bicyclists, pedestrians, cars, and a mix of public transit, bike lanes, and crosswalks.

A truly walkable community encourages destination walking, not just recreational walking. This means that a wide range of services and amenities must be accessible by walking or biking. That requires a certain density, possibly through missing middle housing and mixed-use development.

In addition, consideration needs to be given to the design of streets, sidewalks and other pathways that are used to get to destinations. Even if there are desirable places to visit within a short walk of residential housing, it is unlikely people will walk to these destinations if the way to get there is unsafe or unpleasant.

Walkable communities are designed to create places where people can meet, shop, recreate, and enjoy themselves walking. Pedestrian-friendly environments follow one simple rule—the pedestrian, not vehicular traffic, is the priority. Sidewalks and ways to safely cross from one side of the street to the other such as crosswalks, raised medians, traffic lights with pedestrian signals, and speed-reducing measures are all features of a pedestrian-friendly neighborhood.

Walking in a community also needs to be a pleasant experience for pedestrians. This



REALTORS® don't only sell homes; they sell neighborhoods and communities. REALTORS® aid in improving and revitalizing neighborhoods with smart growth initiatives, helping create walkable, urban centers, which is what more Americans want in their neighborhoods."

*Chris Polychron,
Past President, National
Association of REALTORS®*



Yes, the big new trend in residential real estate is walkability.

*[Buying a Home?](#)
[Consider Its Walkability](#)*



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means well-maintained businesses and homes, not blank walls, abandoned buildings, and brownfields. Adding architectural and landscaping elements like balconies, porches, seating, lighting, storefront activation, streetscaping, green spaces, and activities can go a long way toward creating a more welcoming, pedestrian-friendly street.

Walkable urban developments are not limited to center cities. Many suburbs are witnessing suburban town center redevelopment and the redevelopment of regional malls into mixed-use developments. Instead of the typical master-planned communities and suburban development models of the past, developers are building walkable, compact town centers. The suburbs are seeing more developments incorporating amenities tailored to the intersection of the housing, shopping, and workspace needs that encompass preferences of older and younger generations; creative, innovative design; and common, flexible open spaces to serve as community gathering places.



Consumers' preference for walkability isn't just a trend but a structural change in the way many Americans see the American dream.

Jeff Speck, city planner, urban designer, and author

Listing Local Info Home Sales Mortgage Walkscore 83

Description: New Luxury Lofts at the Legacy. Walk to downtown venues, Guthrie Theatre, Gold Medal Park, US Bank Stadium and more. Close to public transportation. Choose a unit to custom finish. Standard features include hardwood, granite, tile and stainless steel appliances. Amenities galore! Community room, game room, fitness center, lawn bowling, rooftop patios and balconies, swimming pool, hot tub, golf simulators and more! Pet friendly building with exterior relief area, dog run and grooming area.

List Price: \$359,900 **Price/sq ft:** \$339 **Property Type:** Condo/Townhome
Listing Status: Active **Contingency:** None **Property Style:** High Rise (4+ lvl)
Year Built: 2017 **Neighborhood/Area:** Downtown East **City:** Minneapolis
Zip Code: 55415

Walk Score 80
Very Walkable
Most errands can be accomplished on foot.

Transit Score 88
Excellent Transit
Transit is convenient for most trips.

Bike Score 91
Biker's Paradise
Mostly flat, excellent bike lanes.

How Walkable is Your Community?

How can you find out how walkable your community is and how it compares to other neighborhoods? Get its [Walk Score](#). Walk Score is a walkability index based on distance to amenities and neighborhood destinations and calculates the walkability of an address by locating nearby stores, restaurants, schools, parks, etc. Does your MLS include Walk Scores? If not, maybe it should.

Demand and Impact on Real Estate

Demand for walkable communities is on the upswing and, by all accounts, that will continue. Millennials, families, retired people, and many others are recognizing the benefits and enhanced quality of life of being within walking distance to destinations of choice.

Accordingly to NAR's [2017 National Community and Transportation Preference Survey](#), in choosing where to live, an overwhelming majority of respondents—80 percent—believes it to be very or somewhat important to be within an easy walk of places and things in a community such as shops and parks.

Some 62 percent of millennials and 55 percent of the silent generation prefer



The strongest housing market is in walkable urban areas. That's where the demand is.

Christopher B. Leinberger, DC: The WalkUP Wake-Up Call

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walkable communities and short commutes, even if it means living in an apartment or townhouse. And 60 percent would be willing to spend more to live in a community where you could easily walk to parks, shops, and restaurants.

Millennials—those ages 18 to 34—placed more importance on being within an easy walk of places and having access to public transit. They prefer walking as a method of transportation by 12 percentage points over driving.

However, it is not only millennials who are hoping to move into walkable neighborhoods. The preference for walkable communities is seen across generations, according to the survey.

A large number of baby boomers—the second largest generation in American history—are seeking new places to live as they downsize, and many of them also want to be able to live in neighborhoods where they can walk to shops and amenities.

The survey also showed that home buyers are willing to make tradeoffs in house size and price to live in homes that are in walkable neighborhoods. Sixty percent of respondents favor a neighborhood with a mix of houses and stores and other businesses that are easy to walk to, rather than neighborhoods that require more driving between home, work, and recreation.

This trend is also reflected in commercial real estate. Retailers and businesses want to be in more walkable neighborhoods. Many companies have moved to or expanded in downtowns with walkable neighborhoods because they are listening to the desires of their employees who want to walk to shops and be close to transit.

According to [Core Values: Why American Companies Are Moving Downtown](#), a report from Smart Growth America, hundreds of companies have moved to walkable downtown neighborhoods across the country in the past five years. The downtown trend can be seen in more than 100 cities, big and small, in the country's midsection and on the coasts.

Employers across the country are recognizing that locating in walkable areas can help them attract and retain employees and also support “triple bottom line” business outcomes (profits plus socially and environmentally friendly investment in a city center).

“The vitality of downtown neighborhoods is driving commercial real estate in a way that’s never occurred before,” said Paula Munger, director of business line research at Cushman & Wakefield.

The cities that can create the types of neighborhoods businesses and workers desire will be more appealing to firms around the country that are looking to move or set up shop downtown.

[Preferred Office Locations](#), a 2014 report from NAIOP, a commercial real estate association, found that 83 percent of office employers want to locate in mixed-use urban places in cities and suburbs. While office tenants showed no strong preference for either downtown or suburban locations, the study reveals a clear preference for suburban vibrant centers, which are work environments that offer places to live, shop, dine, play, convene, rest, and learn, over typical single-use suburban office parks. In the same survey, only 17 percent prefer late 20th century “business parks.” Vibrant suburban centers have higher rents, lower vacancy rates and greater absorption, the



Today’s buyers tell REALTORS® they want a home in a location that conveniently fits their lifestyle, whether that’s proximity to nearby schools, the ability to take public transportation to work or picking up fresh produce at a nearby farmers market.”

*Tom Salomone, past president,
National Association
of REALTORS®*



The most requested neighborhood characteristic of all buyers is walkability.

*Andrea Evers,
real estate broker*



“A city’s ‘walkability’ drives real estate values.”

*Diana Olick, CNBC
real estate reporter*

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report found.

Not only is the demand for walkable communities on the increase, so too are property values in walkable communities. Properties located in convenient, amenity-rich communities are commanding increases in the per-foot price of both commercial and residential spaces compared with those in neighborhoods where residents do not have amenities close to where they live.

Demand for walkable places is demonstrated by both rental and sales price premiums:

- A one-point increase in a home's Walk Score is associated with a \$700 to \$3,000 increase in its value compared to less walkable homes of comparable size. —[Walk Score](#)
- For-sale housing is \$157.68, about 70 percent, more per square foot than in car-dependent areas. —[DC: The WalkUP Wake-Up Call](#)
- For apartments, there is also a 70 percent rental premium on walkability. That is likely why, in the current real estate cycle, 85 percent of all rental apartments have been built in walkable urban places. —[Foot Traffic Ahead](#)
- Commercial office space in walkable areas has an average 74 percent price-per-square-foot premium over suburban business parks. —[Foot Traffic Ahead](#)

Walkability Benefits Communities

Walkable communities attract tourists, reduce commuting costs and emissions, and facilitate good health, bringing more value to a neighborhood. Cities that focus on walkability are experiencing new growth, development, and revitalization. They are seeing an increase in retail, restaurant, and office investment.

Creating walkability with restaurants and stores can help transition an edgy part of town into one that is hip and hopping with pedestrians. This type of real estate development transforms the community for the better.

*Lawrence Yun,
chief economist, National
Association of REALTORS®*

Residential walkable communities generate four times the tax revenue compared to regional and business malls, bringing more value to the area, according to a panel organized by the REALTOR® University Richard J. Rosenthal Center for Real Estate Studies during the REALTORS® Legislative Meetings & Trade Expo.

As the demand for walkable communities increases, retailers are drawn into these communities because of the growing sense of dynamism and potential to develop a new customer base.

[Walkable Communities Inc.](#) also suggests that walkable communities lead to more social interaction, physical fitness, diminished crime, and increased wellness, addressing many social and economic problems.

Walkable areas provide financial benefits not only to the community but also to the individuals living there. Despite the rising prices commonly seen in walkable areas, those communities are inherently more affordable

There seems to be a perception out there that walkability is purely about personal or environmental health—which are both important—but [Dan Burden](#) made it statistically clear that walkability has a direct link to increased property values, too.

*Celeste Rueter, government
affairs director for St. Louis
Association of REALTORS®
during [Walk/Live
St. Louis 2012](#)*

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since individuals living in walkable areas usually spend about 43 percent of their income on housing and transportation, as opposed to those living in nonwalkable areas, who spend about 48 percent.

Walkability also drives recovery. Home values have bounced back higher and faster in walkable neighborhoods than in the so-called exurbs.

Walkable Communities' Challenges

Creating more walkable communities does present challenges, from lending practices that favor conventional suburban development to outdated zoning and regulations that prohibit features like stores mixed with residences, a diversity of housing types in the same development, and pedestrian-friendly design that places building entrances closer to sidewalks.

["The Unintended Consequences of Housing Finance,"](#) a report by the Regional Plan Association, shows that while growing numbers of Americans want to live in walkable communities, outdated federal restrictions make it harder to build the types of buildings that make these communities work. The Department of Housing and Urban Development, the Federal Housing Administration, Fannie Mae, and Freddie Mac all place regulatory limits on the amount of nonresidential space that a development can have and still qualify for federally guaranteed loans and loan insurance.

In 95 percent of the jurisdictions of this country, building mixed-use, high density WalkUP urban development is not legal. It does not meet the zoning.

Mark Falcone,
Denver developer

Most current zoning ordinances are a combination of good intentions producing bad outcomes for most places.

Eric Bethany,
Atlanta architect

A major issue for developers is outdated federal, state, and local transportation, tax, zoning, and other policies.

But there are ways to address some of these challenges.

[LEED for Neighborhood Development](#), or LEED-ND, offers a set of standards for updating zoning and regulatory barriers to creating more walkable neighborhoods by establishing criteria for development that prioritizes things like access to shops and services, streets and sidewalks, transit access, efficient use of land, affordable housing, and environmentally sensitive building practices.

Form-based codes are also another tool where the idea is to create, rather than inhibit, a walk-friendly environment. Form-based codes de-emphasize the regulation of building uses and instead focus on the size and positioning of buildings and their physical relationship to each other and to public spaces such as streets and sidewalks.

And the [National Association of City Transportation Officials](#) published a new public works manual with

As economic engines, as talent attractors, and as highly productive real estate, these WalkUPs (walkable urban places) are a crucial component in building and sustaining a thriving urban economy. Cities with more WalkUPs are positioned for success, now and in the future.

Chris Leinberger, *Foot Traffic Ahead: Ranking Walkable Urbanism in America's Largest Metros*

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alternative standards that are more conducive to creating walkable urban environments.



Creating a Walkable Community

Creating a more walkable community involves engaging key stakeholders at both the grassroots and policymaking levels—elected officials, businesses, community and cultural organizations, developers, residents, and REALTORS®. A shared vision and civic participation are the keys to success.

One successful tool to engage a community is to [conduct a walkable](#)

[community workshop, or WalkShop](#). WalkShops could include a presentation that outlines best practices, a walking audit to assess specific sites and identify conditions to enhance, break-out sessions to set priorities, and action steps, photo visualizations, and follow-up observations and recommendations.



REALTOR® Case Study

NAR funded several WalkShops as part of its walkable community pilot project. The [Coastal Carolinas REALTORS®](#) and city planners, residents, business leaders, and local advocates came together for a WalkShop in Myrtle Beach, S.C. The focus was Kings Highway, a major thoroughfare that bisects the old downtown

area. The wide lanes, designed to move cars, made some intersections dangerous, uncomfortable, and unwelcoming for tourists and residents. The project offered a perfect opportunity to focus on revamping downtown.



Cities that want to thrive in our new economic and demographic realities will need to find ways to create and support more of these dynamic, productive walkable districts that are in high demand.

Geoff Anderson, CEO of Smart Growth America

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Dan Burden and Samantha Thomas of Blue Zones conducted the WalkShop. In addition to a presentation, work, and discussion sessions, the WalkShop included a walk audit of a 10-block stretch of Kings Highway. The outcome was a report entitled “Walkable Myrtle Beach: Envisioning a More People-Friendly and Prosperous Kings Highway.” The report reviewed current conditions, recapped pedestrian safety issues, covered general walkability principles, shared photographs of problem intersections, and made recommendations.

Elements of a Walkable Community

There are a variety of types of elements that can be implemented to create a more walkable community. Some can be implemented in the short term while others will involve more planning and design.

Shorter-term elements include bike lanes, curb extensions, rain gardens, sharrows, street trees, pocket parks, lighting, wayfinding signage, sidewalks, and crossing islands.

Other elements will take more time, money, and buy-in and include shared-use paths, mixed-use developments and road diets (a traffic-calming technique to reduce the number of travel lanes or the effective width of a roadway to improve safety and provide space for amenities).

See more details in [The Imagining Livability Design Collection](#).

There are many organizations, including NAR, engaged in walkable community efforts. Here are a few to check out and a couple of additional sources of information:

- [America Walks](#) helps to empower communities to create safe, accessible, and enjoyable walking conditions for all.
- [Project for Public Spaces/National Center for Bicycling & Walking](#) helps to create bicycle-friendly and walkable communities.
- [AARP: Livable Communities](#) supports the efforts of neighborhoods, towns, and cities to become great places for people of all ages. We believe that communities should provide safe, walkable streets, age-friendly housing and transportation options, access to needed services, and opportunities for residents of all ages to participate in community life.
- [AARP Livability Fact Sheets](#): Easy-to-understand information to help make a community a great place to live for people of all ages. Topics include density, parking, road diets & traffic calming.

If you are interested in making your community more walkable, NAR provides resources to our state and local REALTOR® associations that can help them to partner with others in the community to achieve a more walkable community.

Written by Holly Moskerintz, National Association of REALTORS®, Community Programs Outreach Manager, hmoskerintz@nar.realtor