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Good school = higher home price?

Study says the best add a hefty dollar amount to what houses are worth

A good education doesn't come cheap, even when you want to send your kids to public school.

Across the Houston area, homebuyers can pay a premium of \$100,000 or more for a house that is zoned to one of the best public elementary schools, a study shows.

The study by Redfin, a realty firm based in Seattle, found homes zoned to average-



NANCY SARNOFF

scoring schools in Houston sold for a median price of \$145,000. In a top-ranking school zone, the median sale price was \$252,000.

Redfin looked at homes sold in 27 markets between May 1 and July 31 to calculate median sale price and price per square foot of homes within dif-

ferent school zones.

It determined that Americans on average pay \$50 per square foot more for homes served by schools whose students outperformed their peers, the study found.

It found large price differences — hundreds of thousands of dollars, in some cases — between very similar homes in the same neighborhood but served by different schools. Redfin

found five examples where prices varied on identical homes by as much as \$130,000.

"When I set out to do this analysis, I wasn't expecting the dollar amounts to be so great," said Tommy Unger, senior data analyst for Redfin.

The Redfin study included 573 elementary schools across the Houston area. School data and school test scores were provided by Onboard Informatics



How they stack up

» Zeroing in:

Compare median prices for homes sold in 573 area school zones at chron.com/HomeValues.

and GreatSchools.

Pricey neighborhoods like Memorial, West University and River Oaks had some of the highest-scoring schools.

Local real estate broker Leslie

Lerner agreed that homebuy-
A lesson continues on D5

BUSINESS



Katherine Feser / Houston Chronicle

Pricey neighborhoods like West University have some of the highest-scoring schools. A study found that in top-ranking school zones in the Houston area, the median home sale price was \$252,000.

A lesson in schools, home prices

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ers will pay a premium to get their kids into good schools, "in this market especially."

Over the summer, Lerner sold a house in West University Place for \$100,000 above the asking price.

The buyer paid extra specifically for the schools.

"You can either pay a mint for a house that is zoned to good schools or pay for private school tuition," Lerner said. "It is a toss-up."

Home prices and school rankings don't always correlate, however.

Spring Branch Elementary, for example, had a low performance ranking on Redfin's study, but the homes zoned there had a median sale price of \$560,000, about three times the regional median.

That could be because the Spring Branch neighborhood is transitioning with new homes and recently rising prices.

Alternatively, there are pockets of relatively affordable homes that are zoned to highly ranked local schools.

For example, the median home price in the school zone serving high-ranking Lomax

Elementary in La Porte was \$137,500, the study showed. In Katy, the median home zoned to the similarly ranked Sheridan Elementary was priced at \$125,750.

Every metro area in the report showed higher prices for homes served by top-ranked schools. Coastal California registered the biggest cost differential, with homes in the highest-ranking school zones running from \$300,000 more in Los Angeles to nearly \$500,000 more in San Jose.

Although the dollar cost differences in Miami

and Phoenix were not as great, homes in the top-ranked school zones were still more than twice the price of homes in the average-ranked school zones, going from about \$150,000 to \$300,000 in median home sale price.

But Queens in New York City, Raleigh, N.C., and Eugene, Ore., had smaller price differentials when going from an average-ranked school to a top-ranked school.

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