

# CASINO MYTH BUSTERS!

## CASINO MYTH #2

**Our property values in Milford will all go UP when a casino is built here!**

### THE FACTS:

#### **Housing Values Drop When a Casino Comes to Town. The Question Is: *How Low Will They Go?***

Economists at the National Association of Realtors recently released a study that states the impact of casinos on the local housing market is “unambiguously negative.” “The reason [housing values would drop] in plain words is nuisance value: traffic, noise, and the general bother created by living near an attraction expected to draw thousands of people.”

Furthermore, “The National Association of Realtors also casts doubt on a casino's ability to draw patrons from afar to a destination casino. The market is already saturated with Foxwoods and Mohegan Sun in Connecticut, Twin Rivers in Rhode Island and other destinations in Massachusetts and New York yet to be built.”

Refer to the following:

MassLive.com. “Realtors: Western Massachusetts casino would hurt home values in host community.” [http://www.masslive.com/business-news/index.ssf/2013/07/realtors\\_say\\_casino\\_would\\_hurt\\_home\\_val.html](http://www.masslive.com/business-news/index.ssf/2013/07/realtors_say_casino_would_hurt_home_val.html)

NAR Research. “Economic Impact of Casinos on Home Prices Literature Survey and Issue Analysis.” <http://www.scribd.com/doc/151429358/NAR-Casino-Research>

#### **Demand Increases for Multifamily Accommodations, But DECREASES for Single Family Homes.**

What really happens in casino communities is that demand rises for multifamily rental accommodations. Therefore, modestly priced multifamily units, as well as homes that can be legally or illegally converted into multifamily use, can increase in value. Single family homes, which constitute most of the appraised property in Milford, will decrease in price because of decreased demand for single family homes located in a “casino town.”

#### **Potential Buyers Are Questioning the Risk of Buying Anywhere in Milford.**

Here is what buyer Matthew Iandoli said about the prospect:

*Out of all the cities and towns in MA, my girlfriend and I thought Milford would be a great location to buy our first home, but we just recently found out it's the potential site for a casino, so we no longer consider it an option. Even though we viewed four affordable and perfectly located houses in Milford, we believe the future resale value would be negatively impacted if a casino were to be built in the town. Therefore, the financial risk outweighs the positive assets the town has to offer. Furthermore, the increase in traffic due to the casino would make our commute unbearable.*



## **Even Foxwoods Admits the Homes Near the Casino Will Decrease in Value.**

Foxwoods Massachusetts President and CEO Scott Butera dismissed concerns that property values would decrease in town when he met with the Milford Board of Selectmen on April 8, 2013, although he later conceded that the property values of homes in close proximity to the casino might drop:

*I guess if you're the house right next to the casino, it might be a little different.*

Right across the street from the proposed casino's entrance is a neighborhood of 42 single family homes and 45 condominiums. The average home value per residence is \$300,000. It is impossible to say exactly how much the market value would decline if the proposed destination resort casino is actually built, but some estimates suggest a 15 to 20 percent decline is possible. Undoubtedly, the property values would NOT go up.

## **There Is NO Guarantee Our Property Taxes Will Go Down.**

Many people think that because Foxwoods is promising revenue to the town that our property tax bills will be reduced. Some rumors even suggest our tax bills will be reduced by 50 percent! A lower property tax bill is a possibility, but only if town officials choose to spend the money to alleviate property taxes. The town may have to spend the money in other areas because the town's expenses will go up if the Foxwoods complex is built—the town will need to foot the bill for additional infrastructure improvements and maintenance; additional teachers and classroom space to accommodate a likely influx of students to our schools; and increased emergency services, such as police, fire, and EMTs.

## **Would YOU Choose to Buy a Home and Raise Your Family in a Casino Town?**

**Check out Casino-Free Milford's other "busted" myths on our website: [CasinoFreeMilford.com/myths](http://CasinoFreeMilford.com/myths)**

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**Casino-Free Milford** is a volunteer, nonpartisan, grassroots group of Milford citizens dedicated to informing the Milford community about the negative impacts a destination resort casino would impose. Learn more on [CasinoFreeMilford.com](http://CasinoFreeMilford.com) and get regular news updates on [Facebook.com/CasinoFreeMilford](https://www.facebook.com/CasinoFreeMilford). Email us at: [casinofreemilford@gmail.com](mailto:casinofreemilford@gmail.com)