

Real Estate Impacts of the Plainridge Park Casino (PPC)

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Study Purpose & Scope

Document change in real estate market following opening of expanded gaming facility in June 2015

Two major components

1. Residential Properties

- Building Permits, Sales, Sale Price, Rents

2. Commercial/Industrial Properties

- Inventory, Vacancy, Net Absorption, Lease Rates

Analysis of secondary data and stakeholder interviewers

Before-After / Comparative Approach

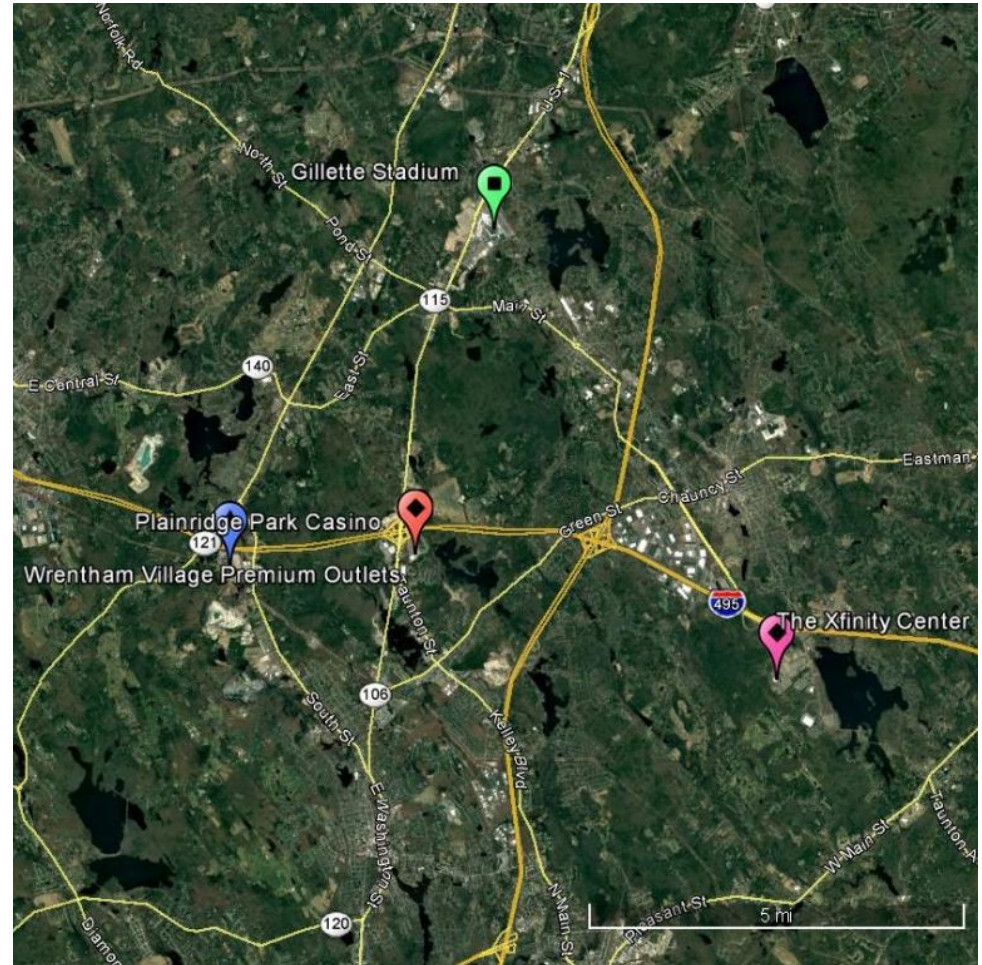
- Track changes before licensing to most recent
- Compare host and surrounding communities against the larger region and state as a whole

Caveats

Timing lag in key data sources

Small Area / Sparse Data problems

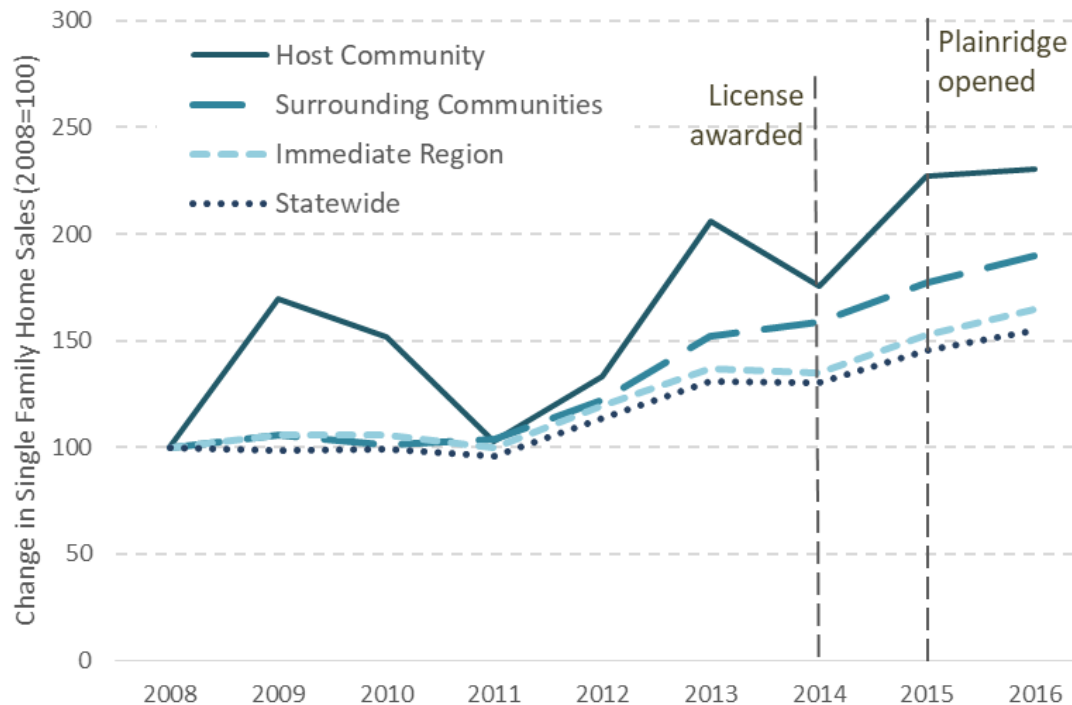
Difficult to distinguish PPC impacts from other activities



Main Finding #1:

Recent increase in home sales, but consistent with broader trends

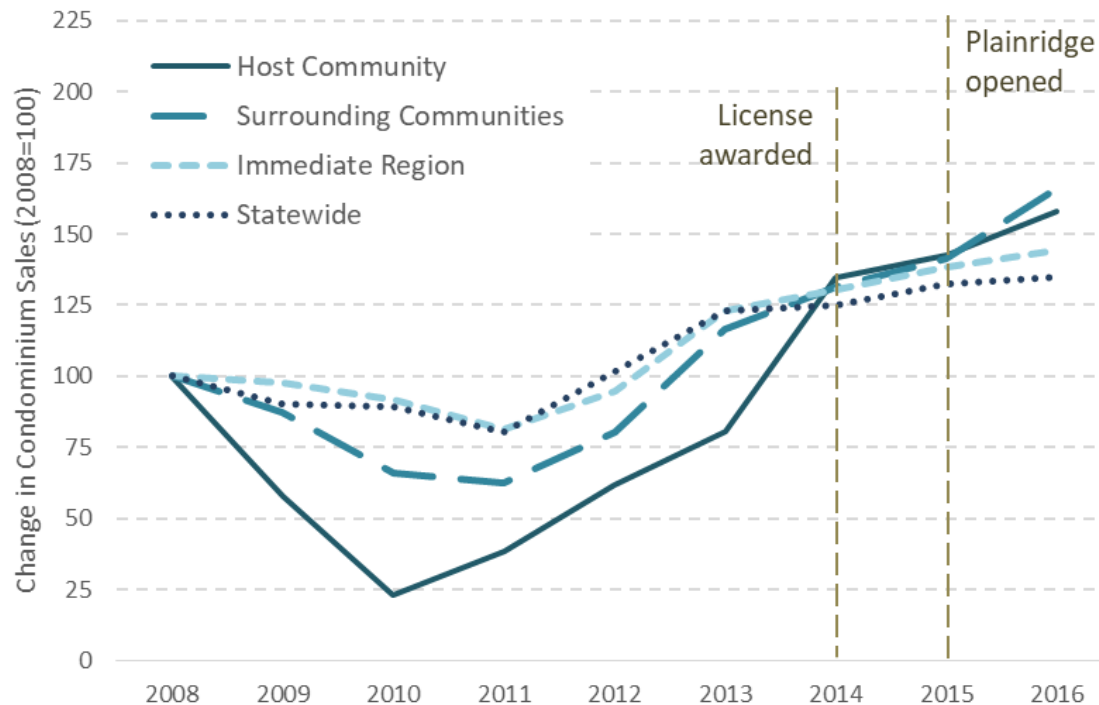
Number of Single-Family Home Sales



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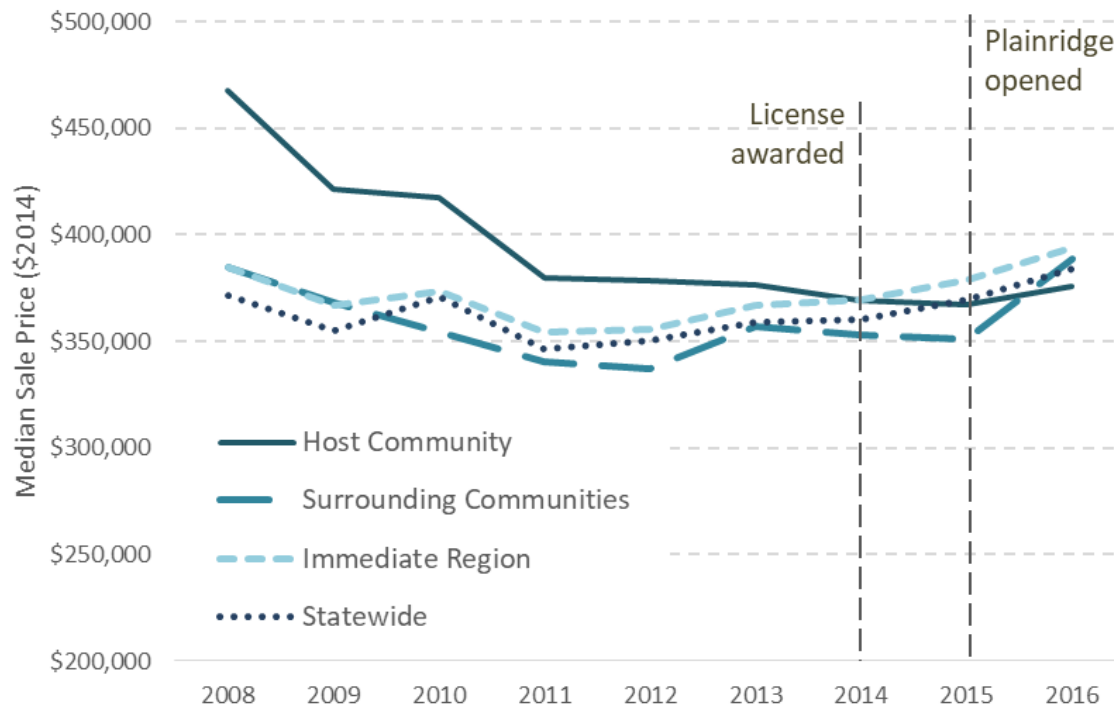
Number of Condominium Sales



Main Finding #2:

PPC opening had little impact on residential sale prices

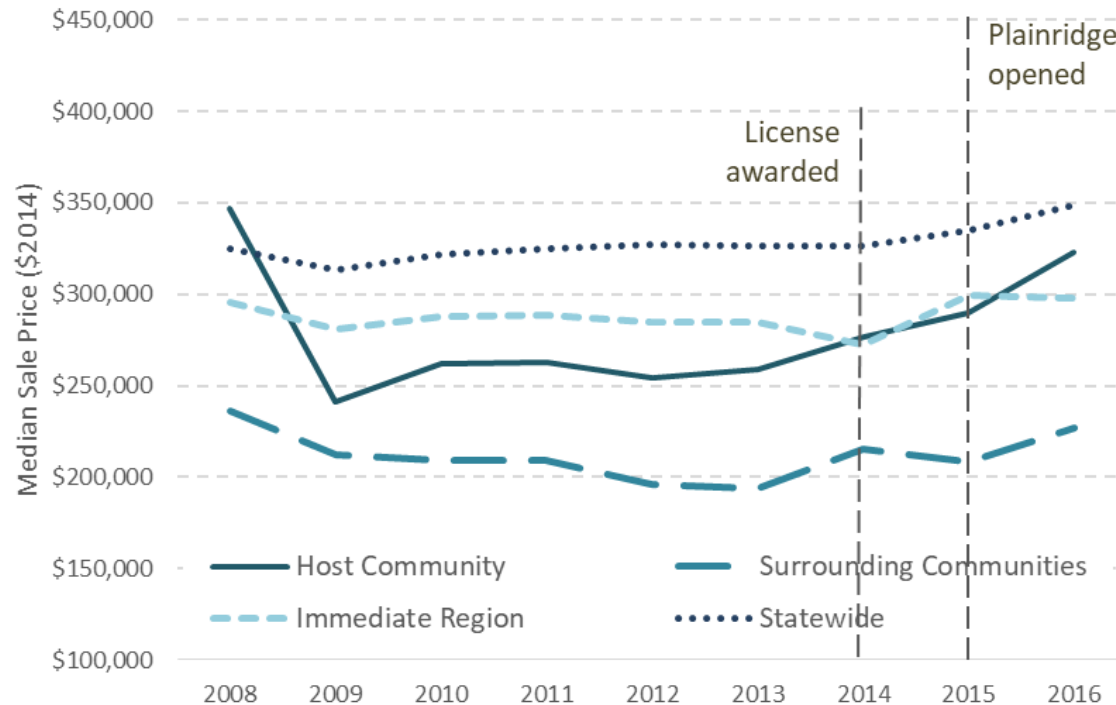
Value of Single-Family Home Sales



Main Finding #2:

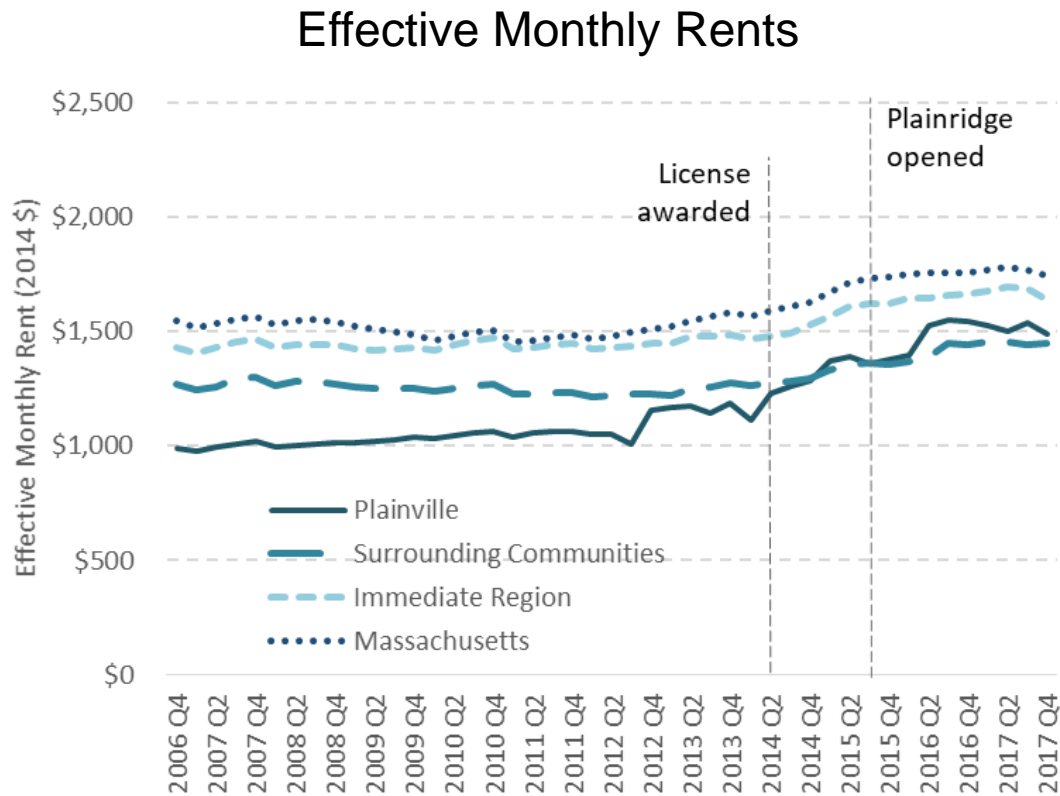
PPC opening had little impact on residential sale prices

Value of Condominium Sales



Main Finding #3:

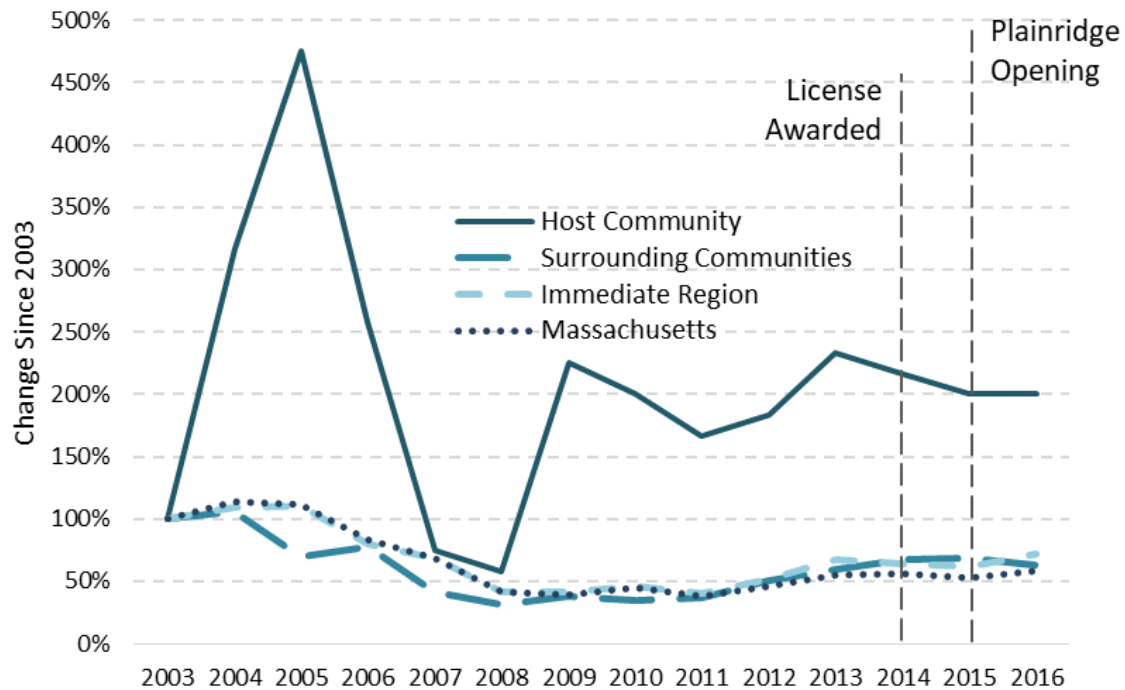
Rents are rising, but are consistent with area trends



Main Finding #4:

Opening of PPC had little impact on residential building permits

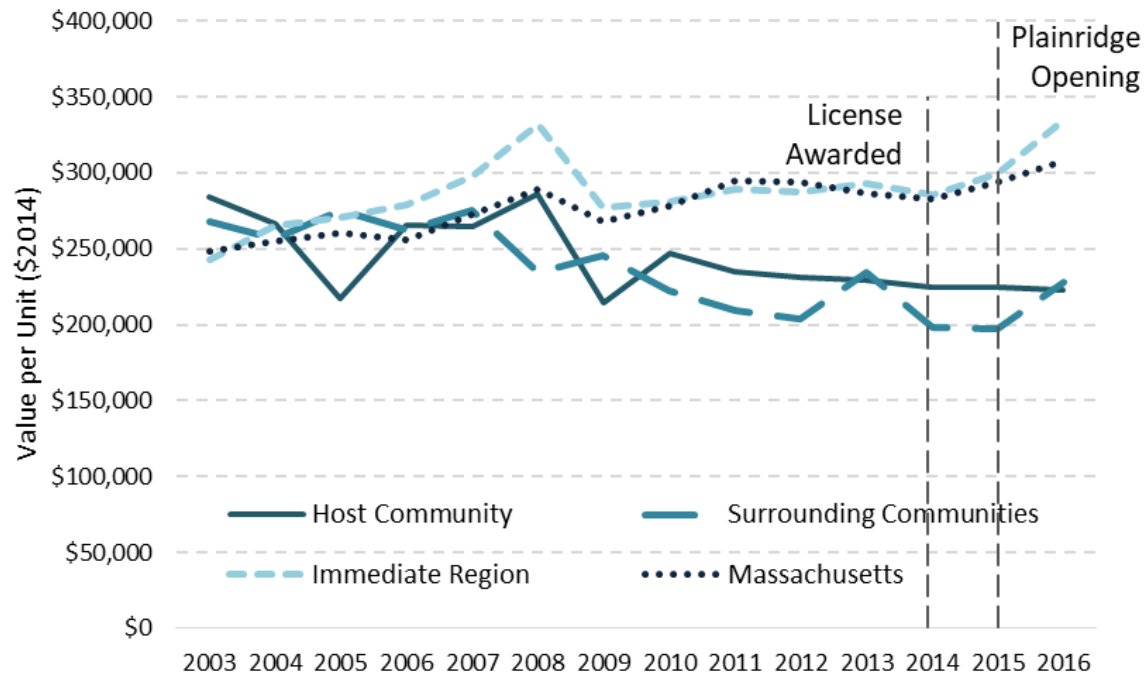
Change in the Number of Residential Building Permits



Main Finding #4:

Opening of PPC had little impact on residential building permits

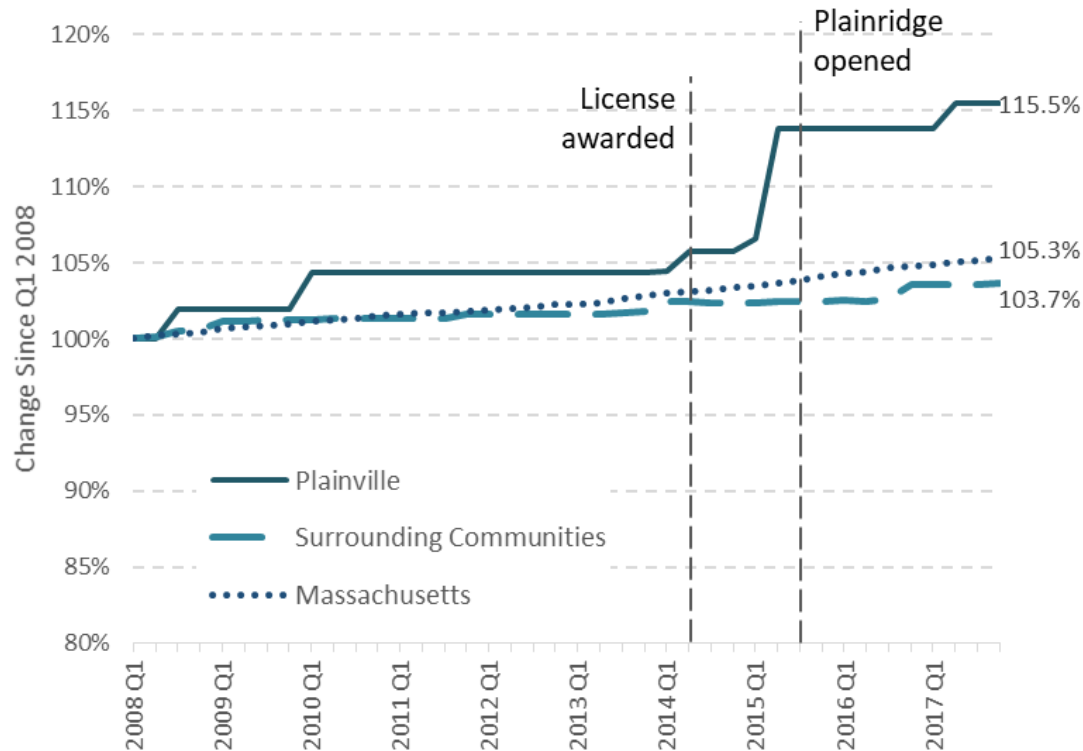
Value Per Unit of Residential Building Permits



Main Finding #4:

Slight growth in the number and size of commercial/industrial buildings post-PPC

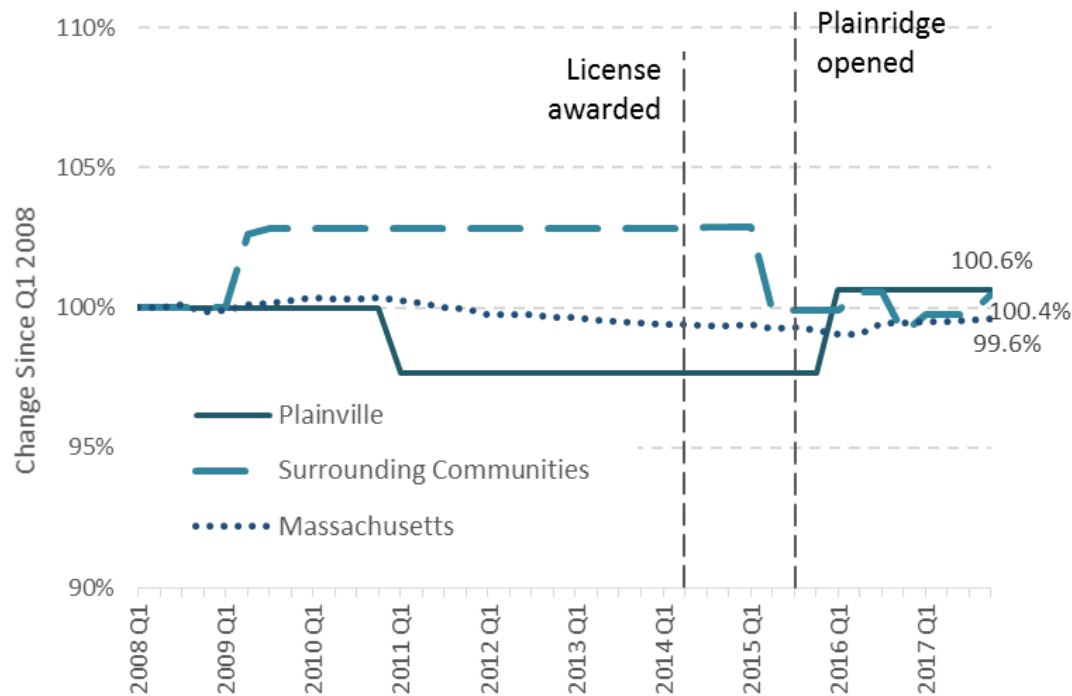
Change in Commercial Rentable Building Area since 2008



Main Finding #4:

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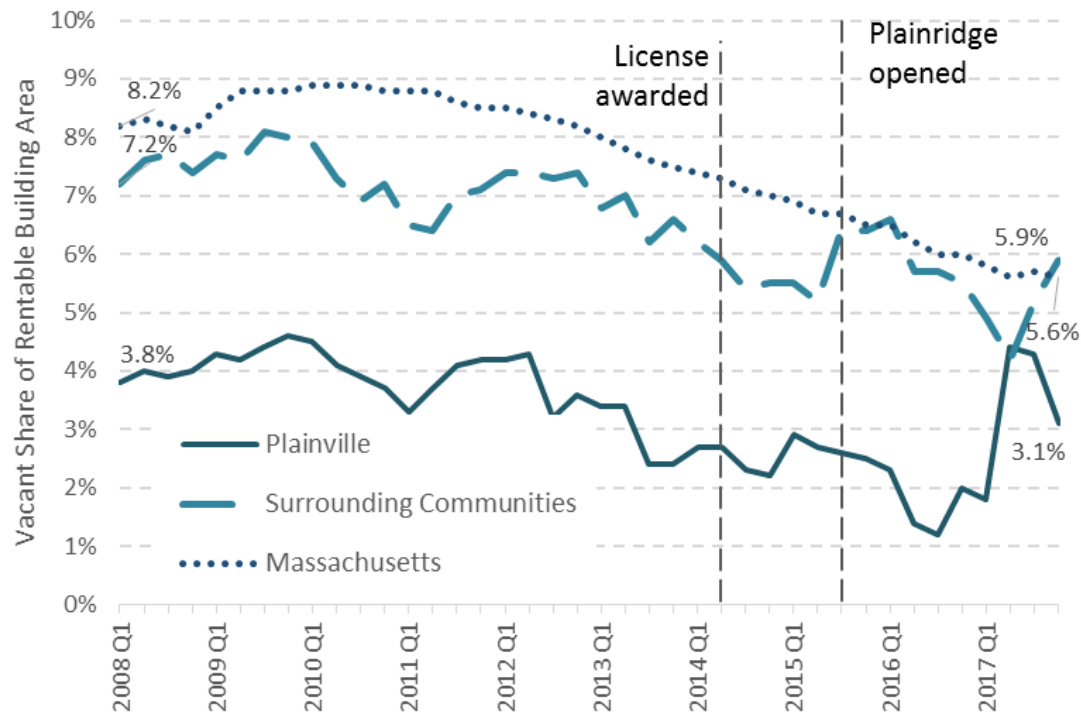
Change in Industrial Rentable Building Area since 2008



Main Finding #5:

Commercial vacancy rates are low in Plainville, but volatile

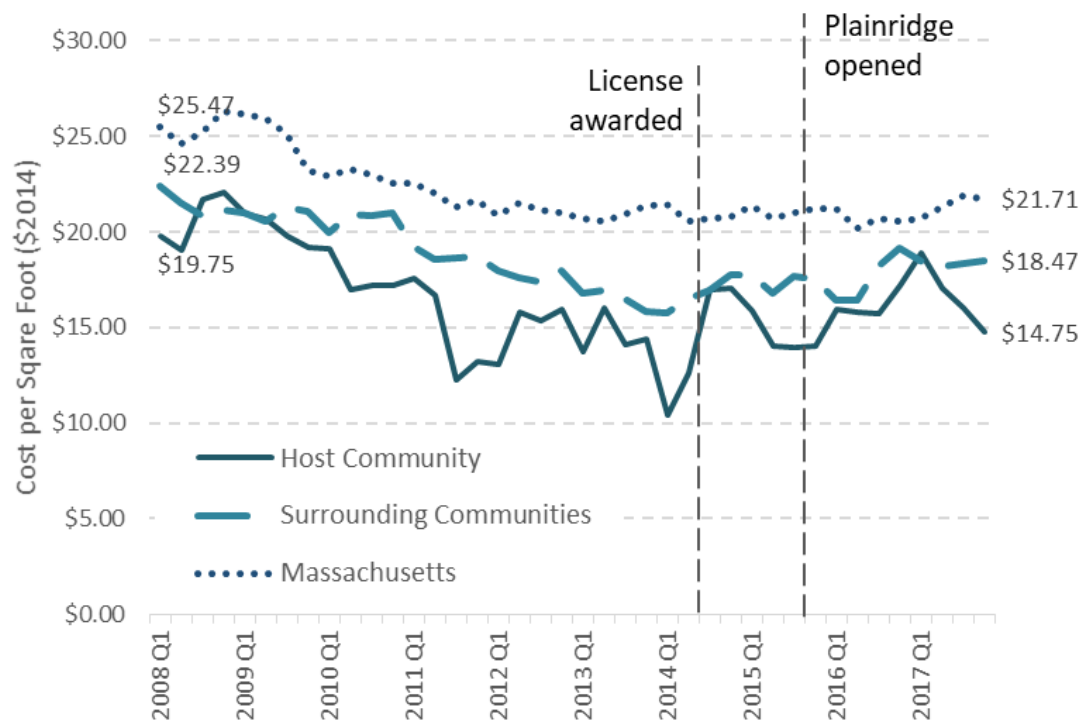
Commercial Vacancy Rates



Main Finding #6:

Little evidence of a sustained rise or drop in commercial lease rates

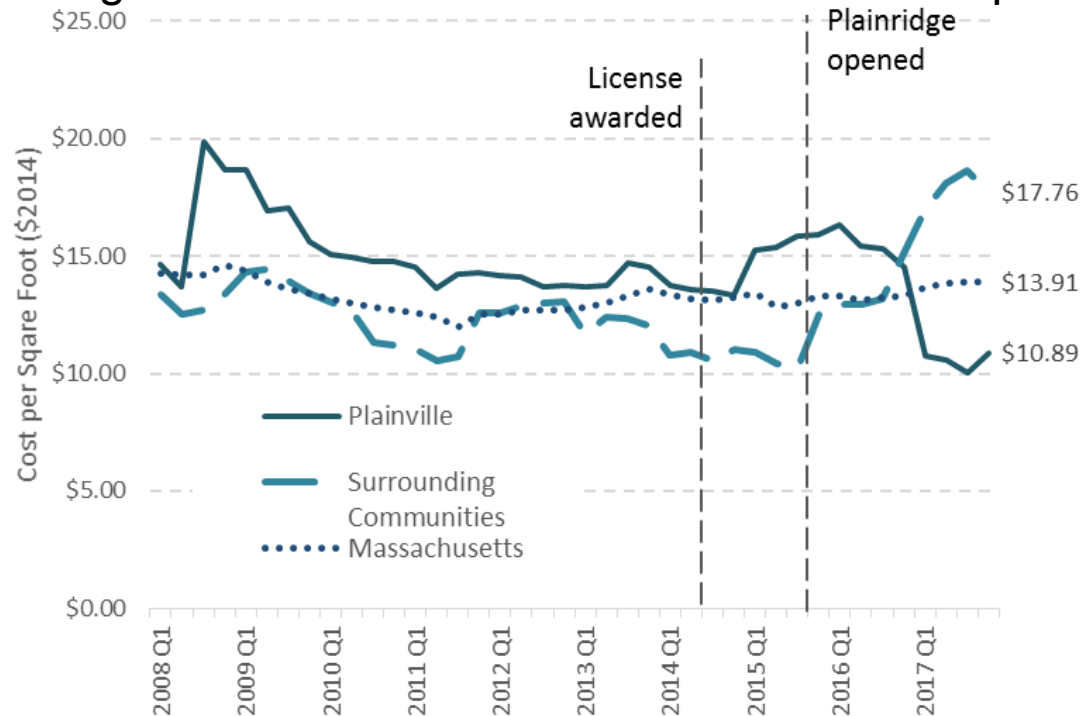
Average Lease Rates Office Commercial Space



Main Finding #6:

Little evidence of a sustained rise or drop in commercial lease rates

Average Lease Rates Non-Office Commercial Space



Conclusions:

Thus far, PPC has had a limited direct impact on the residential real estate market in Plainville and surrounding communities

“I don’t think the casino is big enough to have an impact on the real estate market. There wasn’t a large enough influx of employees to drive the prices up or make residences scarce. I think the whole market has been trending up so it would be difficult to attribute that to Plainridge Park when it is happening all over the state.” – Lou LeBlanc, Chairman of the Board of Health, Plainville

May be a long-term indirect impact, as PPC has expanded the tax base allowing the Town to pursue capital improvements

Conclusions:

New commercial development in the area, but difficult to ascribe purely to PPC

- Major new commercial development (hotels, restaurants, etc.)
- Likely influenced by PPC, but may not have been caused by it
- Impact not showing in commercial lease rates or other measures

"...you know we have had an influx of new businesses, but I have to be careful to call it causality [...] we were ripe for new businesses and growth because we were one of the least expensive communities in the area and we had land to develop. So it was natural that they were looking [...] that was the only cloverleaf on 495 that had not been developed yet." – Kathleen Parker, Treasurer of Plainville

Conclusions:

PPC is best viewed as a component of an evolving regional entertainment complex that is bigger than the sum of its individual parts

“...the Plainridge Park Casino is situated between the Wrentham Mall and Patriot Place, so it kind of provides a nice kind of loop for people looking for something to do in terms of you know, ‘What do you do after the mall?’ ‘Well maybe we’ll scoot over here’ or after the Patriot’s game it provides a destination place for these people who are already frequenting other towns.” – Lou LeBlanc, Chairman of the Board of Health, Plainville

Thank you!

Additional questions or comments
please email:

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