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## Driving Down Real Estate

### Will higher commuting costs kill the suburbs?

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When my wife and I moved to Massachusetts nearly a decade ago, we were surprised by how far outside of Boston we had to look to find a home we could afford. Trading in proximity for a lower price is something realtors call "driving to qualify." By the end of our hunt, we'd purchased a home nearly 35 miles from [my office in downtown Boston](#).

During the real-estate boom, this seemed like a smart tradeoff. Gas averaged \$1.15 a gallon when we closed on our house in 1999, and even in my 20-mile-per-gallon SUV, trading higher gas bills for a lower mortgage seemed like a smart choice. (That's particularly true in my case, since travel and telecommuting alleviate the need for me to drive to the office five days a week.) In fact, even when gas prices hit \$3 a gallon in 2005, [I boasted in an NPR commentary](#) that my drive still made plenty of sense. "The cost of gas is a bargain compared with the cost of close-to-the-city housing," I opined at the height of the boom. By buying a cheaper home further out, I calculated, I saved \$144 in mortgage payments every single time I made my long drive home. "[My commute] may be the most profitable part of my day," I said, perhaps a bit smugly, in that NPR piece.

Now that gas prices are north of \$4, I'm starting to rethink that calculation. And I'm not alone. Last week, the New York Times reported on how "[Fuel Prices Shift Math for Life in Far Suburbs](#)." Earlier this year in the Atlantic Monthly, [urban land strategist Christopher Leinberger](#) argued that all those foreclosure signs in exurban housing developments are [the start of a trend](#) in which suburban communities revert to "slums" as Americans migrate en masse back towards urban centers.

That's a radical argument, and I think it's overdrawn. But there's no doubt homebuyers are paying closer attention to proximity and value, and factoring rising commuting costs into what they'll pay for a home. My distant suburban home has lost more value than homes closer to Boston, [a trend that often holds true during times of price declines](#). And if the costs of getting to and from work by car continue rising, that discount seems likely to grow.

For buyers confused by just how a commute affects their housing equation, there are a host of websites that can help. For the simplest numbers, try out [a website that lets you figure out your annual fuel costs for commuting to work](#). How much more will you spend if gas hits \$4.75? How much would you save if you telecommute a day or two a week—or if you moved to a house that cut your commute in half? With a few clicks, this calculator serves up the answers.

For an overhead look at how residents of different towns face different transportation expenses, consider the [Housing and Transportation Costs index](#), put online by an urban sustainability group called the [Center for Neighborhood Technologies](#). It offers interactive, color-coded maps displaying which towns' residents spent the most on gas and travel expenses in 2000 and 2008. House hunters worried about commuting costs may want to seek out areas where transportation costs are lower.

Other websites can help homebuyers get a sense of how much driving they're likely to do if they buy a house in a given neighborhood. [Walkscore.com](#) shows the distance of a home from amenities such as grocery stores or coffee shops—along with a numeric Walk Score that ranks the property's walkability on a

scale of one to 100. (If you live in a typical suburb, brace yourself: My house rated a measly three out of 100 on this ranking.)

The Congress for New Urbanism, a group that advocates a shift toward high-density, walkable urban development, has a page suggesting that home shoppers [compare the driving habits and subsequent costs](#) of living in driving-intensive suburbs against life in places where people don't drive so much. For instance, in the Atlanta area, the site contrasts life in Decatur, where the average resident drives 12,254 miles a year, with the typical driving habits of residents of Dacula, who log 22,993 miles a year on average. The site suggests living in Decatur could save someone \$275 per month.

As for me, while I'm as fed up with \$4-a-gallon gas as everyone else, I'm not planning to relocate because of it. Just for fun, I spent some time on a real-estate website, looking at the kinds of homes I could buy in towns close to Boston. Even if we spent \$100,000 more than our current home is worth, we'd be left with something far smaller and not as attractive.

Gas costs are leading me to rethink my commute, however. Even though we bought a home more than a marathon's distance from my office, we did make one brilliant move when we bought our house: It's just two miles from a commuter rail station. I've never been a big fan of Boston's [MBTA commuter rail](#) due to its erratic on-time performance and its infrequent evening schedule. But like [millions of other Americans](#), I've begun riding the rails to work in a bid to save money. And if we ever decide to sell our house, I'll be hoping that the magic words "close to train" will help to sway buyers who might be deterred from the long drive to the big city.

*Daniel McGinn is a national correspondent at Newsweek and the author of " [HOUSE LUST: Americas Obsession with our Homes](#)."*