

WIND FARMS AND PROPERTY PRICES

Wind farms do not negatively impact property prices. Over the past decade, multiple major studies by respected and independent organisations in countries across the world have failed to find any correlation between wind turbines and declining property values. In fact, some of these studies found positive impacts.

The value of properties goes up and down for a wide range of reasons. Supply and demand, proximity to amenities and infrastructure, housing affordability and the desirability of the location can all have an impact. If someone is having trouble selling their property and it is near a wind turbine, there could be many other reasons to explain why this is the case.

Property prices in Australia

The Pyrenees Shire Council in Western Victoria is home to one of Australia's largest wind farms, Waubra. A land evaluation report presented to council in August 2012 showed that from 2010 to 2012, residential properties in the Waubra area increased in value by 10.1 per cent.¹ This was the largest increase of any town in the shire.

A separate study by the NSW Department of Lands in the second half of 2009 looked at properties located near eight wind farms and found no evidence that wind turbines caused property values to drop. The report found that wind farms "do not appear to have negatively affected property values in most cases". The report also found that "no reductions in sale price were evident for rural properties or residential properties located in nearby townships with views of the wind farm".²

A 2006 study by Henderson and Horning Property Consultants looked at wind farms and property values over a 15-year period. The study assessed 78 property sales around the operating Crookwell wind farm between 1990 and 2006, and found no reductions in property values.

The study concluded that:

- there was no measurable reduction in values of properties that have a line of sight to the Crookwell 1 wind farm
- soils, improvements and access to services are more important drivers of property values than visual impacts.

A report on community acceptance of rural wind farms by the CSIRO's Science into Society found that rural landowners with wind farms on their properties stood to gain from benefits such as extra rental income that can allow farmers to remain on their land after retirement. In the report, landowners also said wind farms helped to conserve biodiversity and prevent subdividing of land, and that "communities benefit from a local wind farm through increased local business, community funds and local government revenue".³

¹ Pyrenees Shire Council Meeting minutes
http://www.pyrenees.vic.gov.au/Your_Council/Councillors/Council_Meetings/21082012

² NSW Department of Lands report http://www.lpi.nsw.gov.au/__data/assets/pdf_file/0018/117621/toL51WT8.pdf

³ CSIRO report <http://www.csiro.au/Organisation-Structure/Flagships/Energy-Transformed-Flagship/Exploring-community-acceptance-of-rural-wind-farms-in-Australia.aspx>

Property prices in Australia continued

One landowner said having a wind farm on their property could provide “a drought-proofing income stream for my property... Few farmers in this region could survive without off-farm income”.

Another said wind farms helped fund land protection: “[With] a bit of money to put turbines on my property – that won’t devalue my property – we’ll be able to run less animals and put less pressure on the land and look after it a whole lot better, get the biodiversity happening as it should – that’s a good outcome for me.”

International research

The most comprehensive study so far conducted on this issue was a decade-long project by the Lawrence Berkeley National Research Laboratory in 2009 in the United States. Researchers collected data on almost 7500 sales of single-family homes situated within 10 miles of a wind facility across nine different US states, and found no negative relationship between wind turbines and property values. The study found “neither the view of the wind facilities nor the distance of the home to those facilities is found to have any consistent, measurable, and statistically significant effect on home sales prices”.⁴

The University of New Hampshire’s *Impact of the Lempster Wind Power Project on Local Residential Property Values* from January 2012 found no evidence that the project had an impact on property values in the region. The study also said “this is consistent with the near unanimous findings of other studies—based their analysis on arms-length property sales transactions—that have found no conclusive evidence of wide spread, statistically significant changes in property values resulting from wind power projects”.⁵

The respected UK-based Royal Institute of Chartered Surveyors in combination with the Oxford Brookes University in 2007 found no correlation although they acknowledged limited input data. According to the research, “the view of the estate agents was that proximity to a wind farm simply was not an issue”.⁶

Two US studies have actually found that properties located near wind farms could experience an increase in value. A University of Illinois Masters in Applied Economics thesis published in 2010 looked at 2851 home sales from the past decade around the Twin Groves wind farm in Illinois. The study found that property values seemed to increase at a greater rate closer to the wind farm. This study also found a correlation between the fears prior to the actual construction of the wind energy project and a temporary reduction in property values.⁷

The 2003 Renewable Energy Policy project found that “although there is some variation in the three cases studied, the results point to the same conclusion: the statistical evidence does not support a contention that property values within the view shed of wind developments suffer or perform poorer than in a comparable region. For the great majority of projects in all three of the cases studied, the property values in the view shed actually go up faster than values in the comparable region”.⁸

⁴ Lawrence Berkeley study, United States <http://eetd.lbl.gov/ea/ems/reports/lbnl-2829e.pdf>

⁵ *Impact of the Lempster Wind Power Project on Local Residential Property Values*, January 2012 http://antrim-wind.com/files/2012/05/14B_lempster_property_value_impacts_final-copy-copy.pdf

⁶ Royal Institute of Chartered Surveyors and Oxford Brookes University, United Kingdom <http://www.st-andrews.ac.uk/media/estates/kenly-farm/images/RICS%20Property%20report.pdf>

⁷ University of Illinois, United States <http://www.bape.gouv.qc.ca/sections/mandats/eole-monteregie/documents/DD2.pdf>

⁸ Renewable Energy Policy Project, United States http://www.repp.org/articles/static/1/binaries/wind_online_final.pdf