

Summary

After a decade of numerous studies, research concludes that wind turbines do not negatively impact neighboring property values.

Opinion, not Fact

A common complaint made by NIMBYs (Not In My Back Yarders) is that the installation of a wind turbine will be such a blight that it will lower the value of neighboring properties, sometimes implying that the home cannot even be sold. Though often asserted as fact, it is actually a biased opinion without substantiation. Loss of property values is a desperate assertion and a tried-and-true scare tactic with no basis in reality.

Windmills and Wind Turbines are Positive Symbols

We acknowledge that some may find wind turbines unsightly. Beauty, however, is in the eye of the beholder and history points to a different overall societal consensus. The Dutch, for example, take their windmills as an integral and cherished symbol of their cultural heritage. The American farm windmill pumping water from wells is an iconic symbol of our Great Plains heritage that commonly appears in art, postcards and governmental logos. Modern wind turbines appear in commercials, movies and print ads when an environmental or progressive theme is desired. Wind energy systems are positive symbols and icons of environmental stewardship.

The Evidence is to the Contrary

The opinions of NIMBYs and local real estate professionals concerning property value impacts should not be taken as credible without supporting evidence. That will be a challenge for those that propagate this ruse, since all of the available case studies and independent studies point to no adverse impact on neighboring home prices. For example, a studyⁱ by US Department of Energy (US DOE) in 2003 examined over 25,000 property sales transactions that were within five miles of ten windfarms spread around the country and compared them to nearby sales that were out of the viewscape of those windfarms. They found that, contrary to the NIMBY assertion, sales prices rose at higher rates close to the windfarms and where prices went down in the region: the prices near the windfarms declined less.

A second, more recent report released by the US DOE in December of 2009ⁱⁱ finds that proximity to wind energy facilities does not have a pervasive or widespread adverse effect on the property values of nearby homes. This report is based on site visits, data collection, and analysis of almost 7,500 single-family home sales, making it the most comprehensive and data-rich analysis to date on the potential impact of U.S. wind projects on residential property values.

The team of researchers for the project collected data on homes situated within 10 miles of 24 existing wind facilities in nine different U.S. states; the closest home was 800 feet from a wind facility. Each home in the sample was visited to collect important on-site information such as whether wind turbines were visible from the home. The home sales used in the study occurred between 1996 and 2007, spanning the period prior to the announcement of each wind energy facility to well after its construction and full-scale operation.

“It took three years to collect all of the data and analyze more than 50 different statistical model specifications,” says co-author and project manager Ryan Wiser of Berkeley Lab, “but without that amount of effort, we would not have been confident we were giving stakeholders the best information possible.” “Though the analysis cannot dismiss the possibility that individual homes or small numbers of homes have been negatively impacted, it finds that if these impacts do exist, their frequency is too small to result in any widespread, statistically observable impact,” he added.

The analysis revealed that home sales prices are very sensitive to the overall quality of the scenic vista from a property, but that a view of a wind energy facility did not demonstrably impact sales prices. The Berkeley Lab researchers also did not find statistically observable differences in prices for homes located closer to wind facilities than those located further away, or for homes that sold after the announcement or construction of a wind energy facility when compared to those selling prior to announcement. Even for those homes located within a one-mile distance of a wind project, the researchers found no persuasive evidence of a property value impact. “Neither the view of wind energy facilities nor the distance of the home to those facilities was found to have any consistent, measurable, and significant effect on the selling prices of nearby homes,” says report author Ben Hoen, a consultant to Berkeley Lab. “No matter how we looked at the data, the same result kept coming back – no evidence of widespread impacts.”

“Although studies that have investigated residential sales prices near conventional power plants, high voltage transmission lines, and roads have found some property value impacts,” says co-author and San Diego State University Economics Department Chair Mark Thayer, “the same cannot be said for wind energy facilities, at least given our sample of transactions.”

The distributed wind industry can point to dozens of other specific examples where neighboring properties have been sold or leased with no reports of complaints of difficulties in selling or lower prices being offered.

“We’re being Libeled”

The distributed wind industry feels it is being libeled when NIMBYs make unsubstantiated accusations about diminished property values. Their statements are damaging not only to manufacturers and installers, but also to property owners wishing to install a distributed wind turbine. This nation has laws that protect people from false accusations, but this “trade libel” too often goes unchallenged. **DWEA recommends that zoning officials and other administrators considering an application to install a distributed wind turbine place the burden of proof on anyone who asserts the risk of diminished property values.**

ⁱ “The Effect of Wind Development on Local Property Values”, REPP, 2003, available at www.repp.org

ⁱⁱ “The Impact of Wind Power Projects on Residential Property Values in the United States”, Lawrence Berkeley National Laboratory, 2009. See <http://newscenter.lbl.gov/press-releases/2009/12/02/wind-power-property-values/>