

# Media Release

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## **Wind Turbines impact land values by up to 60%: Valuer**

The impact of wind turbine developments on rural property values can be as high as 60 per cent, according to a recent report by a registered real estate valuer.

Real estate agents say buyers are reluctant to purchase in an area under threat of wind farms due to potential financial loss and the blight on the landscape.

Some properties close to wind farms are "unsaleable", according to a major real estate agent in the survey.

The 33-page study released this week by Goulburn real estate consultant and registered valuer Peter Reardon provides sales evidence that proves that wind farms do impact property values.

It's a slap in the face for the wind industry – already facing financial difficulty and significant changes to the renewable energy sector under a newly elected Coalition Government.

Wind farm developers have long denied any effect on land values, often quoting an out of date and inconclusive 2009 NSW Valuer Generals report.

In the report, Mr. Reardon says a plague of more than 3,000 turbines are either in operation or proposed for construction across country New South Wales, many of them located in the northern regions of the Southern Tablelands.

"Well over half of the NSW wind farms that appear likely to be built in the near future are within a 90 km radius of Goulburn.

"This situation, where such a large proportion of a state's wind turbines have been proposed in a single area, is unique in Australia.

"The report has identified detriments in property values. Discounts in value of 33% & 60% in the market place cannot be ignored", said Mr. Reardon.

"The market evidence indicates that neighbouring properties to wind turbine developments are being unfairly impacted upon, with little consideration by the development proponents on this particular stake holder. This raises issues not only from a loss of value and time delays in a sale circumstance, but can also negatively impact property owner's equity and banking relationships.

"The vast majority of real estate agents surveyed believe that the location and proximity of wind turbines can have a significant impact upon the marketability of rural land holdings, especially in the form of buyer interest and extended sales period being required.

"This impact alone is not something that we believe has been accurately measured neither in past studies nor by the proponents of wind farm developments."

One particular agent said "properties within very close proximity to wind farms have become virtually unsaleable".

Another agent said "agreed sales had failed to proceed after purchasers had been informed of local wind farm developments".

"It would appear that many prospective purchasers consider them (wind farms) to be a blight on the landscape and aesthetic appeal of properties, similar to large transmission line easements," said Allan McDonald, principal of Professionals Real Estate, Goulburn.

Paul Vallely, the farmer who commissioned the report on behalf of land owners in the Golspie area near Crookwell, stated that "using the report's findings, our locality (Fullerton), would suffer an overall loss in land values of up to about \$40m, if the proposed Golspie wind farm project were to proceed. This report shows that real estate activity in our area would likely grind to a halt for many years to come if the wind farm towers were built in our area."

Mr Vallely says "the key thing for us was that the report must be unbiased, all the reports on this issue to date were either commissioned or influenced by businesses with a vested interest in wind farms, or the reports were too broad scoping to be useful to any specific locality."

In the report, Mr. Reardon says "wind farm developers are now quietly acknowledging the negative impacts of their projects on adjoining and nearby landholders.

Inquiries have detailed that compensation deals are being offered to adjoining and nearby land holders who have a residence within two kilometres of wind turbines.

The deals being negotiated and signed up to at this current point in time are typically \$2,500 p.a. per turbine within a two kilometre radius of a residence, indexed for the life of the development in a similar type of agreement to those land holders that are compensated for hosting turbines on their land."

Mr. Reardon's report details specific properties that have either failed to sell or have sold for considerably less when compared to similar properties or those of inferior standard but not under a threat from a wind farm.

"For years the wind industry has denied the issue of land values being impacted by wind turbines", said Bryan Lyons, a registered real estate valuer from Queensland. Mr. Lyons also stated, "By denying the impacts of their wind farms on the values of family farms, wind farm operators are riding roughshod over country people and our farming sector and are not paying their way in regard to the true cost of the wind industry to rural communities."

"The sales evidence in this report adds to the increasing number of sales that are showing impacts of 30% to 50% decrease in value due to a nearby wind farm. These sales have occurred near Hallett Wind Farm in South Australia and Toora Wind Farm in Victoria. The real concern is that these statistics do not include the properties that have been on the market for a prolonged period of time, near a wind farm, that have not sold due to the wind farm stigma and buyer resistance."

Mr. Lyons concluded; "The impact on land values is significant and is something that all property owners near a wind farm should be giving serious consideration to as purchasers and lending institutions become more aware of the impacts wind farm developments are having on neighbouring land values. Farmers must protect their property values to maintain their equity levels."

**Contacts:**

Patina Schneider – 02 6366 5044 or 0405 127 189

Bryan Lyons – 07 46 686780 or 0408 211 758