

Transmission Lines and Property Values: Review of the Research

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Prepared by

Thomas Priestley, Ph.D.



There is a substantial body of systematic research on the relationship between transmission lines and property values.

The research provides empirically based data points against which claims based on anecdotes and speculation can be evaluated.

What the Research Findings Suggest:

- Proximity to transmission lines is not the major factor that determines property values.
- In some cases, there may not be any impacts.
- Any impacts on the value of single family homes tend to be small.
- In some cases, the impact can be positive.

What the Research Findings Suggest:

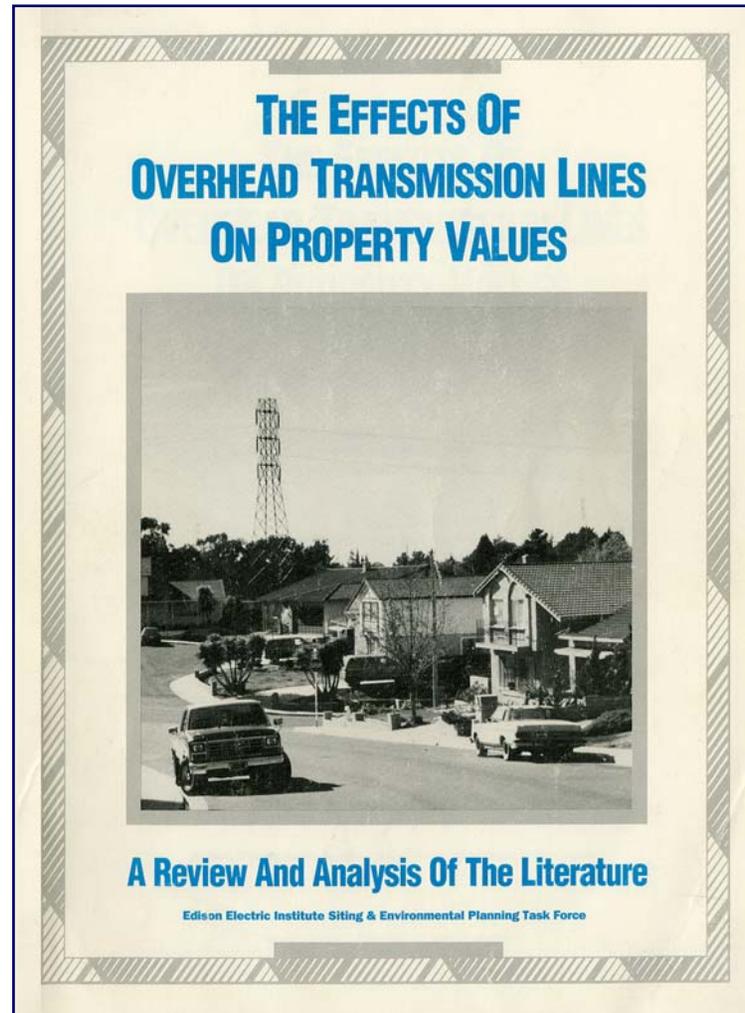
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- In some specific cases – single family homes located immediately adjacent to towers, vacant rural land suitable for residential development – the degree of impact could be somewhat higher.
- When there are impacts, they tend to be highest right next to the line, and to taper off very quickly with distance, essentially disappearing at distances ranging from 200 to 650 feet.

What the Research Findings Suggest: (Continued)

- Some studies indicate that property value impacts are greatest right after a transmission line is constructed or upgraded, and that the impacts decrease over time.
- Northern California study found effects of a transmission line project to be greatest in the first year, then fading out after 4 years.

Drew From 1992 Research Review



Supplemented the 1992 Review

Supplemented the 1992 EEI report with a search for and assessment of the North American research published since the 1992 review was completed.

The Research Landscape

- Appraiser Studies
- Attitudinal Surveys
- Statistical Analyses/Regression Modeling

Findings – Single Family Residences

- Most of the paired sales analyses and two of the multiple regression analyses have concluded that transmission lines do not have an effect on the value of nearby single family residences.

Findings – Single Family Residences

- Other paired sales analyses and multiple regression analyses have found some degree of impact (in the range of 2% to 10%) to single family properties located in close proximity to transmission lines.

Findings – Single Family Residences

- Positive impacts found in some cases.
- In a Montreal suburb, positive price impacts (from 7% to 22%) related to increased privacy and more open views.
- In a northern California suburb, positive price impacts of 10% for parcels located next to a transmission line that had been integrated in the subdivision's open space system.

Findings – Vacant Residential Land

- Mixed results
- Studies of properties with residential development potential in Maine and New York found power lines had no effects.
- Study in Maryland found no effect on lots in one subdivision and 4% to 5% effect on lots adjacent to the transmission line in another subdivision.

Findings – Distance Effects

- For studies that find impacts, the impacts are highest next to the right-of-way and/or close to the towers.
- Effects drop off sharply with distance.
- In studies that have found effects, these effects essentially disappear after 200, 500, and 650 feet.

Findings – Temporal Effects

- Illinois study found transmission line property value effects to decrease over time, possibly because of increased growth in screening vegetation.
- Northern California study found effects of a transmission line project to be greatest in the first year, and then to decrease quickly, fading out after 4 years.

Findings - Appreciation

- A topic that has not received much attention in the studies so far
- A study in the Pacific Northwest that looked at this issue with an analysis of a large number of sales concluded that properties next to the transmission right of way appreciated at the same rate as similar properties located away from the line.

Summary

A valuable body of research on the relationships between transmission lines and property values.

This research provides data and insights that are of assistance in putting property value concerns into perspective. However, it is important to emphasize that each of the studies reflect site specific circumstances and caution is required in applying their findings to other situations.