



SOLAR AND PROPERTY VALUES



SOLAR FACILITIES
DO NOT REDUCE
PROPERTY VALUES



Frasier Solar



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THE DATA IS CLEAR

Neighbors and community members near a proposed solar project are often understandably concerned about the potential it to affect nearby property values. These concerns are often amplified by misinformation promoted by project opponents.

Several studies examining actual data of nearby property sales before and after construction of utility-scale solar facilities have been conducted over the years. None of these has shown that solar facilities like Frasier Solar sited in rural areas have had significant negative impacts on property values in the surrounding area.

Generally, a new land use may affect nearby property values if it has significant negative impacts on the surrounding area. For example, landfills may bring truck traffic and litter, and large-scale poultry operations may come with unwanted odors. Solar facilities are a highly passive use, with no significant long term impacts. Their operation generates no pollution, odor, dust, pipelines or waste disposal, and only minimal light, noise and traffic. Solar panels rotate too slowly to be noticed and do not produce electricity at night. They have a low physical profile and their appearance can be effectively enhanced with setbacks and landscaping.

Although some people may not like the idea of a solar facility located near their property, property sales data clearly show that this preference does not translate to a reduction in market value.

“Results from our survey of residential home assessors show that the majority of respondents believe that proximity to solar installation has either no impact or a positive impact on home values.”

Study by University of Texas at Austin



PROPERTY VALUE STUDY RESULTS



- No statistically significant impact from nearby solar projects on property values.
- Property values can actually increase near solar farms, likely due to the positive impact of increased local tax revenue/services.
- Screening and setbacks can ensure that nearby property values are not negatively impacted.

A REVIEW OF KEY PROPERTY VALUE STUDIES

American Society of Farm Managers and Rural Appraisers Summary

- Reviewed and summarized studies on solar facilities and property values
- Found the studies generally show no negative impact, and sometimes a positive impact

University of Rhode Island Study

- Analyzed 400,000 transactions near solar projects over the course of 15 years.
- Found no negative impact on property values from solar farms located in rural areas.

CohnReznick Study

- Examined sales of single-family homes and agricultural land near 9 solar facilities in Indiana and Illinois.
- Found no negative impact on property values due to proximity to the 9 facilities.

Lawrence Berkley National Laboratory Study

- Analyzed 1.8 million home sales near solar projects in six states
- The study found on average a statistically insignificant impact, with the highest negative impact in the states with the highest population density (ex. N.J.).
- The state with both the most solar installed (over 930,000 sales transactions, more than half of the dataset in the study) and the largest rural solar projects (like Ohio) actually showed a statistically insignificant positive property value impact from nearby solar projects.

FREQUENTLY ASKED QUESTIONS



Didn't the University of Texas Study find solar projects negatively impact property values?

No. The University of Texas Study asked property appraisers whether they thought nearby solar projects would negatively impact property values, and a majority of appraisers indicated that they did not believe so. The study in fact shows that only responses from appraisers who self-identify as having no experience in solar facilities thought there would be a negative impact. To quote the study: "Results from our survey of residential home assessors show that the majority of respondents believe that proximity to solar installation has either no impact or a positive impact on home values."

Did a Georgia State University study find that solar hurts property values?

No. That study examined property value impacts of industrial, office, and retail development on urban homes in a large metropolitan area. The study did not study solar project impacts at all and did not examine impacts on rural property values.

How are property value impacts measured in these studies? Don't real estate values change all the time for many reasons?

In order to isolate the potential impact of a nearby solar project on real estate values, researchers use a number of statistical tools designed to differentiate between normal real estate price fluctuations and those potentially caused by a nearby solar facility. One of these tools is called a Hedonic Price Model. Researchers use data on repeat sales of the same properties near a solar project both before and after the facility was built and compare that data to repeat sales of properties farther from the solar project. This allows researchers to isolate the differences in price due to distance from the solar project vs. the many other reasons real estate prices can change over time. Other tools, such as Paired Sales Analysis, can allow researchers to assess the value of specific homes near a solar facility based on the sale of comparable homes farther away to determine whether the sales price was different than the assessed value. Each of these tools help determine whether any difference in real estate value is caused by a nearby solar facility vs. other factors.

Do these studies suggest ways to minimize potential negative property value impacts from nearby solar facilities?

Yes. Although no study identified significant negative impacts from nearby solar projects in rural areas, several studies identified vegetative screening and setbacks from residences as key tools in minimizing potentially negative impacts. Frasier Solar will install vegetative screening and be designed to have substantial setbacks .



“Solar’s Impact on Rural Property Values”, Feb 2021.

American Society of Farm Managers & Rural Appraisers, available at:

<https://www.asfmra.org/blogs/asfmra-press/2021/02/16/solars-impact-on-land-values>

“Property Impact Study: Solar Farms in Illinois.”

Mcleancounty.gov, Nexia International, 7 Aug. 2018. Available at:

<https://illinoisolar.org/resources/Documents/Large%20Scale%20Solar%20Facts.pdf>

“Study of Residential Market Trends Surrounding Six Utility-Scale Solar Projects in Texas,” June 2023. Real Property Analytics, available at:

<https://www.conservativetexasforenergyinnovation.org/wp-content/uploads/2023/09/Analysis-of-Market-Trends-Surrounding-Utility-Scale-Solar-Projects-Real-Property-Analytics.pdf>

“Adjacent Property Values Solar Impact Study: A Study of Nine Existing Solar Farms,” March 2018. Available at:

https://www.co.champaign.il.us/CountyBoard/ZBA/2018/180412_Meeting/180412_Adjacent%20Property%20Values%20Solar%20Impact%20Study%20by%20CohnReznick.pdf



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QUESTIONS? WE WANT TO HEAR FROM YOU

- LEARN MORE ABOUT THE FRASIER SOLAR PROJECT
- REVIEW WELL-VETTED INFORMATION ABOUT SOLAR
- SCHEDULE A MEETING WITH OUR TEAM TO DISCUSS YOUR CONCERNS OR FEEDBACK
- DISCOVER HOW SOLAR CAN BENEFIT YOUR COMMUNITY
- GET INVOLVED!



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