

Property values blowing in the wind

REALTOR'S REPORT: Proposed turbine projects put damper on residential property sales in Cape Vincent

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WEDNESDAY, APRIL 7, 2010

Sales records show that Cape Vincent has had a steeper decline in residential property sales than its neighbors and real estate professionals are starting to blame proposed wind power developments.

"People do not want to buy near windmills," said Amanda J. Miller, owner of Lake Ontario Realty, Dexter, who specializes in waterfront property sales. "They avoid purchasing in towns like Cape Vincent."

She presented her views and a report on property values to the Jefferson County Board of Legislators on Tuesday night.

In other countries that have had wind power development for a while, they have seen 40 percent to 60 percent drops in resale values, she said. Closer to home, she's had clients pull out of deals and refuse to consider areas that are possible sites for wind turbines.

"Even if people don't mind looking at it, they're not going to put their investment in an area where they're going to have turbines depreciate it," Ms. Miller said in a phone interview on Monday. "They don't want to look at them, see them, and others don't want to buy because they don't know what the wind turbines will do for property values."

National studies have gone both ways, some saying that wind turbines have no effect on property values and others saying the projects hurt property values.

Data on the local real estate trends were compiled by Clifford J. Schneider, a Cape Vincent resident and former fisheries biologist with the state Department of Environmental Conservation.

The analysis compared Cape Vincent sales, closing prices and days on market to those in Alexandria Bay, Brownville, Clayton and Lyme from 2000 through 2009. The analysis included houses of more than 1,000 square feet on the Jefferson-Lewis Board of Realtors Multiple Listing Service.

Both overall residential sales and a subset of waterfront residential sales were analyzed.

Closings for the 2006-09 period declined 8.4 percent in the other four towns and 15.4 percent in Cape Vincent, though that was not statistically significant.

In waterfront properties over the last decade, closings fell 12 percent in Cape Vincent and 4.6 percent in the four-town average. In the more recent 2006-09 period, closings fell 10 percent per year for the four-town average and 25 percent in Cape Vincent. The difference in the decline was statistically significant.

Cape Vincent had 10 residential property closings in 2009, three of which were waterfront.

"This should be a good wake-up call to people," Ms. Miller said.

Prices didn't vary much, with all categories rising for Cape Vincent and surrounding towns.

Average days on market declined for the four towns by 9.5 percent per year through the decade. Through the decade, the trend was a drop by 7.3 percent per year in Cape Vincent, but in 2006-09 the days on market increased 58.5 percent per year, while the four-town average increased 10 percent.

"There is some evidence that the Cape Vincent housing market is in a slump, more so than what would normally be credited to the decline in the general economy," the report said.

The economy is playing some role in the decreased number of sales.

"Things are slow partly because the overall economy is so bad," said Brooks J. Bragdon, a real estate sales agent and Cape Vincent councilman. "But things are even slower in areas overdeveloped by wind turbines."

Some local wind farm opponents are pushing for a property value assurance agreement, in which a developer would pay the difference between a property's sale price and the value of comparable property outside of a wind power development if the property loses value.

The two real estate professionals said that won't be enough.

"I don't put too much stock into it because the aesthetics of the area are so valuable that you can't put a dollar figure onto it," Mr. Bragdon said. "We should address the setbacks and make them reasonable according to the zoning law and comprehensive plan and state and federal rules without getting into compensating people for lost value."

Ms. Miller agreed.

"It doesn't take care of the tourism economy," she said. "There's no way to solve that."