by Barrett A. Teele

Wetlands are generally identified by three criteria. Hydric, soils, vegetation growth, and hydrology. Some soils classified as hydric may not be suitable for septic tank use or allow woodland to be converted to cropland, drained for development or other uses. Hydric soils are loosely defined as soils where the water saturates the soil within 12 inches of the surface for at least 7 consecutive days during the growing season. THE DICTIONARY OF REAL ESTATE APPRAISAL, Fourth Edition, published by the Appraisal Institute, defines Hydric soils as "soils that are wet long enough to produce anaerobic conditions, thereby influencing the growth of plants." More accurate determinations used by soil scientists employ the use of soil color or chroma that takes into consideration the anaerobic action in the soil over a long period of time. Just because soils are hydric does not mean they are wetlands; however, wetland must contain hydric soils.

Appraisers are cognizant of the influence hydric soils have on land values and must reflect the value accordingly. Wetlands that were drained and converted to non-wetlands prior to 1985 are generally referred to as "prior converted" wetlands and are "grandfathered in" as non-wetlands. Hydric soils can impact the values differently for different uses. For instance, a tree farmer may not be too concerned with hydric soils since trees tend to grow better in these soils than in non-hydric soils. On the other hand a developer may not be able to develop a site with streets, improvements, septic tanks, etc in hydric soils.

The study shown herein is based on sales of land tracts in the same subdivision in Harnett County where all of the sites were located on the same soil street and had the same locational characteristics. The sites ranged in size from 9.92 acres to 50.63 acres and all sales occurred from 2000 to 2002. The accompanying chart clearly shows a decline in value, and somewhat linear after 30%, of residential sites as the percent of hydric soils increases.

