

She cites the University of Rhode Island study noted alter in this report, but specifically excludes the conclusion of that study that in rural areas they found no impact on property value.

She cites lot sales near Spotsylvania Solar without confirming the purchase prices with brokers as indicative of market impact and has made no attempt to compare lot prices that are contemporaneous. In her 5 lot sales that she identifies, all of the lot prices decline with time from 2015 through 2019. This includes the 3 lot sales prior to the approval of the solar farm. The decrease in lot values shown in this chart are more indicative of the trend in the market, than of any impact related to the solar farm. Otherwise, how does she explain the drop in price from 2015 to 2017 prior to the solar farm approval.

She considers data at McBride Place Solar Farm and does a sale/resale analysis based on Zillow Home Value Index, which is not a reliable indication for appreciation in the market. She then adjusted her initial sales prior to the solar farm over 7 years to determine what she believes the home should have appreciated by and then compares that to an actual sale. She has run no tests or any analysis to show that the appreciation rates she is using are consistent with the market but more importantly she has not attempted to confirm any of these sales with market participants. I have spoken with brokers active in the sales that she cites and they have all indicated that the solar farm was not a negative factor in marketing or selling those homes.

She has considered lot sales at Sunshine Farms in Grandy, NC. She indicates that the lots next to the solar farm are selling for less than lots not near the solar farm, but she is actually using lot sales next to the solar farm prior to the solar farm being approved. She also ignores recent home sales adjoining this solar farm after it was built that show no impact on property value.

She also notes a couple of situations where solar developers have purchased adjoining homes and resold them or where a neighbor agreement was paid as proof of a negative impact on property value. Given that there are over 2,500 solar farms in the USA as of 2018 according to the U.S. Energy Information Administration and there are only a handful of such examples, this is clearly not an industry standard but a business decision. Furthermore, solar developers are not in the business of flipping homes and are in a position very similar to a bank that acquires a home as OREO (Other Real Estate Owned), where homes are frequently sold at discounted prices, not because of any drop in value, but because they are not a typically motivated seller. Market value requires an analysis of a typically motivated buyer and seller. So these are not good indicators of market value impacts.

The comments throughout this study are heavy in adjectives, avoids stating facts contrary to the conclusion and shows a strong selection bias.

Conclusion of Impact Studies

Of the five studies noted two included actual sales data to derive an opinion of no impact on value. The two studies to conclude on a negative impact includes the Fred Beck study based on no actual sales data, and he has since indicated that with landscaping screens he would not conclude on a negative impact. The other study by Mary Clay shows improper adjustments for time, a lack of confirmation of sales comparables, and exclusion of data that does not support her position.

I have relied on these studies as additional support for the findings in this impact analysis.