

Brad Thompson Full
exhibit



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APR 5 2006

Missouri Public
Service Commission

Public

Hearing Exhibit No. 11

Date 3-20-06 Case No. EA-2006-0309

Reporter

My Name Is Brad Thomson, I reside at 24005 S
Lucille Lane, Peculiar MO.

I am currently employed as a project manager by a
Locally owned Home Building Company where I
oversee sales and construction of multiple homes in
the Kansas City Metropolitan Area ranging in the two
hundred thousand dollar to two million dollar price
range. I am a third generation home builder and have
over 20 years experience in the residential
construction and real estate industry. I received my
Bachelors of Science in Business Administration
from the University of Missouri, and have held my
Missouri Real Estate License until recently.

My wife and I purchased our lot in Harris Place in
February 2004 (Approx $\frac{1}{4}$ to $\frac{1}{2}$ North of the South
Harper Peaking Facility where we can plainly see,
hear and smell the plant) We began Construction on
our residence in May 2004 and completed it in

October 2004 at which time we learned of the proposed South Harper plant. Needless to say, had we known, or been informed, that a power plant was proposed nearby, we would not have purchased in the area. However, as everything was zoned agricultural in the area with nothing pending at the county, we felt the purchase was safe and proceed in good faith.

In December 2005, after the plant was completed and when Aquila said they were offering to purchase homes from residents who didn't want to live near the plant, we offered to sell to them. They however, declined saying we didn't meet their criteria. We have since been trying to sell our home, competing with the homes which they have purchased and have on the market at what appears to be an undervalued prices.

The main concern today I want to speak about is what South Harper is doing to property values. Property values are a major concern to every homeowner in our neighborhood as well as our nation. This is evidenced by the many laws that deal with property rights and zoning laws. A home is a consumer's single largest investment over time. Any loss of that value would be a substantial blow to a family of any means.

Research studies, such as those by George S. Tolley from the University of Chicago and G.C. Bloomquist emphasize the detrimental effects of power plants on property values. Those studies do not mean as much until you start getting closer to home and you're your own pocket book.

*****See Property Exhibits*****

9900 E 241ST Street

- **Sold to Aquila December 16, 2005**

| | |
|-----------------------------|----------------------------|
| Originally Listed at | \$309,900.00 |
| Currently Listed at | <u>\$305,500.00</u> |
| Apparent Loss of | \$ 4,900.00 |
- **Currently offering 5% selling commission**

9812 E 241st Street

- **Advertised “Below Appraisal” then**
- **“Just Reduced \$10,000.00”**
- **February 2005**

9804 E 241st Street

OWNERSHIP

- **Current Owner :** Aquila (+/- September 15 2005 to Present)
Initial Purchaser: S. Vincent (February 26, 2004 to September 15 2005) (567 days)
Builder: Gresham (October 9, 2003 to February 26, 2004) (120 days)

COST CALCULATIONS

- February 26, 200 Sales Price Per Heartland MLS \$279,900.00
 Add 224 square feet of basement finish \$ 5,600.00 (Market Price) (\$25/SF)
 Add pool and deck \$ 5,000.00 (Low Estimate)
 Add outbuilding \$ 1,000.00 (Low Estimate)
Sales Price plus homeowners added improvements \$291,400.00

Modest 2% per year Appreciation –Year 1 \$ 5,830.00
Modest 2% per year Appreciation 220 days year 2 \$ 3,205.00
Add for Aquila's recent upgrades to neighborhood \$ 5,000.00 (Trees, paving, etc)

Current Market Value with improvements and appreciation \$305,435.00
Aquila's Current Listing Price \$285,000.00
Apparent Loss in Value on this Property \$ 20,435.00

If you took out the Appreciation and Aquila Upgrades the loss would only be \$6,400.00

- NOTE: Same floor plan, without the basement finished, on one less acre just closed for \$294,900.00. (\$11,750/Acre) (Mar 06)

Vacant Lot #13 Harris Place

OWNERSHIP

- Current Owner Aquila (+/- December 12, 2005 to Present)
Previous Owner Gresham (September 9 2004 to December 12, 2005) (449 Days Owned)

COST DATA

- Original Listing Price \$50,000.00
Aquila's New Listing Price \$47,000.00

Apparent loss in property Value \$ 3,000.00

24020 S Lucille Lane

OWNERSHIP

- **Current Owner : Aquila** (December 15, 2005 to Present)
Initial Purchaser: Patton (May 20, 2005 to December 15 2005) (209 days)

COST DATA

- Original Sales Price on Heartlad MLS \$365,465.00
Add out building and gravel drive furnished by Aquila \$ 34,435.00
Add landscape package per Norma Dunns quote \$ 28,000.00
Original Sales Price plus improvements \$427,900.00

Modest 2% per year Appreciation (209 days) \$ 4,185.00
Original Sales Price plus improvements plus appreciation \$432,085.00

Home Currently Listed For \$399,900.00

Apparent Loss in Property Value \$ 32,185.00
- Currently offering 5% selling commission incentive also.

24021 S Lucille Lane

OWNERSHIP

- **Current Owner : Aquila (December 15, 2005 to Present)**
Initial Purchaser: Manning (May 4, 2004 to December 15 2005) (590 days)

COST DATA

- Original Sales Price on Heartlad MLS \$284,900.00
Finish basement \$ 24,025.00
Add out building and gravel drive furnished by Aquila \$ 34,435.00
Add landscape package per Norma Dunns quote \$ 28,000.00
Original Sales Price plus improvements \$371,360.00

Modest 2% Appreciation on base Year 1 \$ 5,698.00
Modest 2% Appreciation on base Year 2 (225 days) \$ 3,475.00

Original Sales Price plus improvements pluse appreciation \$380,533.00

Home Currently Listed For \$339,900.00

Apparent Loss in Property Value \$ 40,633.00
- Currently offering 5% selling commission incentive also.

Further Property devaluation occurs from the following;

- 1) We have an excess supply of homes in the \$200,000.00 to \$400,000.00 range exists in the area.
- 2) This is creating a longer days on market than usual for the area which will further impact the value of the area.
- 3) Aquila has offered 5% selling commissions on all of its properties giving the appearance of a fire sale and further reducing the value of the area.
- 4) Value shoppers are coming to the area making “low-ball” offers looking to profit.

I'd like to close by saying that we are currently in a market that is currently appreciating between 1% and 4% per year on the modest side. Eventually, our homes will will sell, but at what cost?